

Digitized by the Internet Archive  
in 2022 with funding from  
University of Toronto

<https://archive.org/details/31761115492142>











CA20N  
XC26  
-E77

96

E-1



E-1

ISSN 1181-6465

## **Legislative Assembly of Ontario**

Third Session, 37<sup>th</sup> Parliament

## **Assemblée législative de l'Ontario**

Troisième session, 37<sup>e</sup> législature

# **Official Report of Debates (Hansard)**

Tuesday 18 June 2002

# **Journal des débats (Hansard)**

Mardi 18 juin 2002

**Standing committee on  
estimates**

**Comité permanent des  
budgets des dépenses**

Chair: Gerard Kennedy  
Clerk: Susan Sourial

Président : Gerard Kennedy  
Greffière : Susan Sourial





### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Copies of Hansard**

Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

### **Exemplaires du Journal**

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.





## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Tuesday 18 June 2002

Mardi 18 juin 2002

*The committee met at 1531 in room 228.*

**The Chair (Mr Gerard Kennedy):** Thank you all for coming. I would like to introduce some of the staff who will be assisting this committee in its duty. From Hansard we have Peggy Brooks; from research, Anne Marzalik; from broadcast and recording, Neville White; and of course our inestimable clerk, Susan Sourial.

The business of the committee today is to select the ministries that will come before estimates. We have, as I think members of each party are aware, an unusual motion in the House that circumscribes some of our activity today, but I would say most of the standing orders will apply.

Do we have housekeeping business ahead of time? OK. The first of that is subcommittee membership. We have, I believe, a motion from Mr Spina.

## SUBCOMMITTEE MEMBERSHIP

**Mr Joseph Spina (Brampton Centre):** I move that Ted Chudleigh shall replace Mr Wettlaufer on the subcommittee on committee business.

**The Chair:** Mr Chudleigh is put forward. By general agreement, then, Mr Chudleigh. Congratulations, Mr Chudleigh, and welcome to the subcommittee.

*Interjection.*

**The Chair:** Obviously not enough advance preparation had been done with the other caucuses to help Mr Chudleigh, and he assumes those awesome responsibilities with the rest of us.

## SELECTION OF MINISTRIES

**The Chair:** I think people are familiar with the standing orders. Each of the parties, starting with the official opposition, makes two selections. We will simply follow the standing orders and make our selections. There are two parts, and I will take a point of order in a moment. As the Chair, I sought some interpretation from the government House leader just before the meeting to learn whether there was a misconstrual of a motion. In effect, what I am given to understand is that the motion in the House basically constrains us from sitting beyond the 70 hours, but given that the schedule we're on is for approximately 45 to 50 hours, I would suggest to the committee that the simplest way to treat that is as moot. It is unlikely we will reach the 70 hours.

The 7.5 hours, however, I believe is clear, and therefore restricts—the previous standing orders had allowed flexibility within any portion of 15 hours allocated to one or two ministries.

Without further ado, then, I would like to proceed and ask each caucus to be prepared with their first two selections, again reminding you that 7.5 hours is the maximum.

**Mr Gilles Bisson (Timmins-James Bay):** On a point of order, Chair: For the record, just a couple of things.

First of all, as I understand it, now that you have the Ministry of Environment and Energy put into one, it puts us at a bit of a disadvantage given this motion, in that we would like to be able to call both of those ministries before the committee but we end up with seven and a half hours for both of those, which are quite large. So I'm wondering if there's any willingness on the part of the committee to allow the split between energy and environment to be done.

**The Chair:** I'm advised by the clerk that we have to deal with ministries as they're reported. For the purposes of estimates, I refer you to the estimates book. Energy and environment are reported as a single ministry.

**Mr Bisson:** What I'm asking for, by way of unanimous consent, is if we could agree to split those two out.

**The Chair:** I'll confer with the clerk, but it's my understanding that we have a motion from the House that we can't overrule at committee and that limits us to the 7.5. I don't think it allows us to interpret the ministries. I'll just discuss that and get back to you on that point.

Mr Bisson, to fully give consideration to your request, we're just checking a technical point around when a ministry is actually acknowledged as a distinct ministry. We have the basic presentation of the ministry in that book, but because it does happen from time to time, I'm seeking to know what the definition would be. When does a ministry become a combined ministry and when do they function separately?

**Mr Bisson:** Once you've done that I have a little point to add to it.

**The Chair:** On the same—

**Mr Bisson:** On the same issue. I want to hear what your answer is and then I'll raise the next point.

**The Chair:** We understand that an order in council has created the Ministry of Energy and Environment as one, so we don't have that option here at committee, given our standing orders, to be more flexible.



**Mr Bisson:** Here's my question, then. Short of getting unanimous consent, which you say I can't get because of the order of the House, what happens if the Liberal opposition picks environment and energy and I pick environment and energy? Do we get 15 hours?

**The Chair:** Thank you for your interesting interventions today. One moment, please.

Mr Bisson, your intervention has both tantalized and challenged the table, but the table informs us that there is precedent here that means they determine those selections to be exclusive. So they give us that advice.

**Mr Bisson:** So the answer to my second inquiry is no.

**The Chair:** That's right.

**Mr Bisson:** Boy, they really know how to spoil a party.

Let me ask it this way, then. If I were to call, for example, the Premier's office or the Ministry of Finance, does that allow me then to get to energy and environment? If I call the Premier's office, am I restricted just to the expenses within the Premier's office or am I allowed to get out and do energy?

**The Chair:** The business of the committee is the estimates as stated. There is latitude based on the presentation and so forth. The public interest we'll determine as the investigation follows. Technically, you're going after the ministry you name. Whether that allows you to entertain other subjects or not will depend on how they're brought forward.

**Mr Bisson:** I do need a bit of guidance on this one because obviously it's going to make—

**The Chair:** The only thing I can tell you, as the Chair and as someone who's dealt with this precedent before, is that there is some latitude, particularly with the Office of the Premier and with the Ministry of Finance. I've been advised in the past that it goes beyond the actual numbers in front of us, to the extent that the functions of the office are also discussable. That's been the ruling in the past.

**Mr Bisson:** If I were to call the Premier's office, then I would be able to ask questions on policy on any ministry within the government?

**The Chair:** Keeping in mind, Mr Bisson, that typically and traditionally we are represented by ministers or, in the case of the Premier's office, it's unlikely we'll have the first minister. We'll likely have a parliamentary assistant or someone so designated from that office. That may limit the inquiry you can make about a given ministry.

**Mr Bisson:** I hear you, but what I'm asking is, if the Premier is not here and he sends his parliamentary assistant and we're asking questions, let's say, on energy or environment, are they required to bring the staff of the Ministry of Environment and Energy if we say that's what our questions are about?

**The Chair:** Their requirement is not to bring staff but rather to provide briefing materials, a point which we will encounter in a moment. That's what the standing orders provide, that they give us background materials and that the minister be present or a representative of the ministry. We don't have an actual requirement for staff from the ministry.

**Mr Bisson:** Can you just give me a couple of seconds before we go into rotation? I want to talk to the clerks. Can I ask for a four-minute adjournment?

**The Chair:** A four-minute adjournment is granted.

*The committee recessed from 1542 to 1546.*

**The Chair:** I call the meeting back to order. Mr Bisson, are you prepared?

**Mr Bisson:** I think my colleague may have a question.

**The Chair:** With regard to the earlier ruling, I note as well that the extemporaneous motion in the House is explicit, saying no ministry can be more than 7.5 hours. So it's coming back to the idea of duplication, which we had a definitive ruling on, that also would have precluded that.

**Mr Steve Peters (Elgin-Middlesex-London):** A question: if we called environment and energy, and let's say the third party were to invite the Premier's office to speak, can questions still be asked of—certainly we could ask environment and energy, but would you still have the ability, under the Premier's office, to ask questions about environment or energy?

**The Chair:** As I explained before, there's a certain amount of latitude, to start off, with the functions of the Premier's office, which do reach into every ministry. We have had the Premier's office here before, and that has been the case. Whether you have the supporting staff or people who can give the answers in a certain period of time and so on may be a different story. But I think we can say that there's some latitude with the Premier's office because of the wide-ranging nature of the responsibilities that are conducted in that office.

Are we ready to proceed?

**Mr Frank Mazzilli (London-Fanshawe):** On a point of order, Mr Chair: Just a clarification on that. If the Premier's office is called, certainly if the intention is just to stick on one ministry, I think that would be against the spirit of calling the Premier's office. As you've said, there is latitude on a range of issues. But I would submit to you as Chair that, if that latitude is only on one ministry, we're perhaps looking at going around the rules set by the Legislature.

**The Chair:** I can assure you that the Chair will uphold the rules as set by the Legislature. We will ensure that the public interest is pursued within the standing orders. So, Mr Mazzilli, I hope that gives you some comfort. If it meets with your agreement and the agreement of the other parties, I'd like to proceed with selections.

I turn now to the official opposition for your first two selections, please.

**Mr Peters:** Health and education.

**The Chair:** We have health and education, each for 7.5 hours as prescribed in the motion.

We turn now to the third party.

**Mr Bisson:** Surprise, surprise: my first pick is energy and environment. I'll let you guess my second pick.

**The Chair:** I'm not going to presume.

**Mr Bisson:** The Premier's office.

**The Chair:** Yes; there we go.

The government party?



**Mr Ted Chudleigh (Halton):** Our first pick will be the Ministry of Intergovernmental Affairs. The second pick would be the Ministry of Northern Development and Mines.

**Mr Bisson:** Right on.

**Mr Chudleigh:** You can't wait to get your teeth into those ones, eh?

**Mr Bisson:** Do you know what? I wanted to bring that one in second.

**Mr Chudleigh:** I'm glad I could make you happy.

**The Chair:** We appreciate the intercaucus collegiality and co-operation. If Mr Peters is ready—

**Mr Bisson:** They need a couple of minutes.

**The Chair:** OK. We can be flexible for a minute or two.

**Mr Bisson:** I have a question for the Chair before we go to rotation. Public safety and security: would that both cover the Solicitor General's kind of job and the Attorney General's job? That's a pretty—

**The Chair:** I think it's effectively the minister for that ministry.

**Mr Bisson:** But SolGen and corrections are under public safety? OK. That's what I wanted to know. Thank you.

**The Chair:** Mr Peters.

**Mr Peters:** Thank you, Mr Chairman. Environment and energy; and training, colleges and universities.

**The Chair:** Environment and energy has already been selected.

**Mr Peters:** Sorry. Training, colleges and universities; and community, family and child services.

**The Chair:** Thank you. Mr Bisson.

**Mr Bisson:** Natural resources would be the next one, followed by public safety and security.

**The Chair:** And the government party, please.

**Mr Chudleigh:** The ministry of tourism and culture; and the ministry of innovation, opportunities and—that one. You know the one I mean.

**The Chair:** I think for the sake of Hansard we'll just get the right title.

**Mr Chudleigh:** Enterprise, opportunities and innovation. We have a minister of that.

**The Chair:** OK, you have a couple of items you'd like to raise, and Mr Bisson, you wish to have another recess?

*Interjections.*

**The Chair:** We have the selections completed. We have now one matter to consider, and then I'll consider the matter raised by Mr Peters.

We have been informed by, I believe, Management Board that the detailed estimates will not be ready until July 2. So we have for the first selection, health, to determine if we're prepared to go ahead with just the best information the ministry can provide at that time, because they're not in a position right now to assure us that what most people in this committee are familiar with, which is the detailed estimates, will actually be ready at that time. The standing orders ask them to have that ready, but we have a delay or a problem. I think everyone on the

committee would like us to do what we can to consider estimates, but perhaps I can ask the official opposition—

*Bells ringing.*

**The Chair:** Do we have a vote, or is there a quorum call?

OK, just continuing, then, we'd like to hear perhaps from the party whose selection was health. How do you view this?

**Mr Peters:** I certainly would prefer to have the full, detailed estimates in front of us. I think it makes it much easier from the questioning standpoint. But the concern is that we're going to lose some sitting days.

**The Chair:** We'll lose two sitting days. Today's one, and I guess July 2, so we'll lose both sitting days. It's a choice we have to make and I think it affects all members' ability to address that. But as the selecting party, could we first hear your views?

**Mr Peters:** So we'd have to base any questioning, then, on just asking questions out of the estimate book.

**The Chair:** I think in good faith the ministry would provide what information it could. But they cannot tell us, as we sit today, that they will have the detailed estimates ready at that time. So I put it forward for the committee members.

**Mr Peters:** If the message can be sent to the Ministry of Health and Long-Term Care that they're the first ministry called and we'd like expedited estimates provided to us, let's keep it moving and not lose any time—

**The Chair:** We made a request earlier of Management Board. We understood there may have been a misunderstanding of the standing orders, because it is unusual that the budget and the estimates come so close together. Usually they're over a more telescoped period. So in essence we do not have the detailed estimates. We hope to have as much information as possible. That's the best information that the clerk has been able to arrive at.

**Mr Mazzilli:** Certainly I think our position will be that for the sake of two sittings, the people of Ontario want the proper estimates. If that is only July 2, I think we should wait till the proper estimates come forward so that that ministry has the proper estimates to work with and can account to the people of Ontario on actual numbers, not potentially accurate numbers.

**The Chair:** Mr Bisson, you may wish to speak to this. Mr Curling?

**Mr Alvin Curling (Scarborough-Rouge River):** I'm not quite sure if we hear what Mr Mazzilli is saying. Are you telling me, then, that they call the estimates committee and the government hasn't got its estimates prepared? The budget is being debated in the meantime, and then he's saying that we're waiting until they have the proper thing ready. Aren't you guys ready? Aren't you ready to govern? The fact is that we should have been here to debate the estimates. They don't have anything in detail here. We're going to have two weeks of delay here. So what is it we're going to do in the two weeks, you say? We are to wait until that happens?

**Mr Mazzilli:** To account properly to the people of Ontario on the estimates that will be reported, and I certainly don't think that for the sake of—



**The Chair:** Mr Mazzilli, before we get into debate, you made a point and Mr Curling has made a point. I'll now ask if it's all right for the third party. Mr Bisson, I really need your attention to these matters.

**Mr Bisson:** You have my attention, but I'm trying to double check something about the estimates.

**Mr Curling:** In the meantime, this is what I want to understand really.

**The Chair:** Mr Curling, you've made a point. Did you wish to make a further point?

**Mr Curling:** I'll give the floor to Mr Bisson.

**The Chair:** The question, just to be perfectly clear, is that the government is required under the standing orders to provide background materials to each member of the committee. We have been advised that the ministries in general, as far as we know, are not in a position to assure that for the regular start time. The question put to the committee is, is the committee prepared to go forward with partial materials, which is all we could expect under the information we have at this time?

**Mr Bisson:** First of all, two things. As you pointed out, Chair, the standing orders are quite clear. Estimates are supposed to be tabled on a certain date, according to the standing orders. There was a motion in the House by the opposition in order to accommodate the government because of the late budget. We did that in good faith. We were told that all the estimates would be ready for the 17th of this month. Here we are now and the government is saying, "Oops, we're not ready on the 17th. We're going to come back sometime in July." That's not acceptable. This committee is going to start sitting as of next week. Actually, we could technically start sitting tomorrow or Thursday, the next sitting day, right? I for one am not going to stand here and say the government doesn't have to come in because it's partially ready. You're the government. You've known when your budget was coming in. It's not acceptable. I can guarantee we're going to be raising hay over this. The estimates are to start on time. We're not going to agree to go to July.

1600

**The Chair:** Mr Bisson, just to be clear, last year we gave the government one week, with the agreement of all members of the committee, to be prepared. I'm not saying at this time that the government will not be prepared; only that we do not have an assurance that that will take place, which is a little unusual. We do not have a particular reason to bring forward to you. Now that we have a specific ministry, it is possible we may get a specific response. But as Chair, through the clerk's efforts, I'm not able to tell you more than that about the status of information, except to alert you to that fact.

**Mr Bisson:** That's weird.

**The Chair:** So I will entertain a couple of more points and then I—

**Mr Curling:** This is very important: you said that the time we may resume any sort of detailed analysis of the estimate would be July 2. Am I hearing that right, sir?

**The Chair:** That's the date we've been given by Management Board.

**Mr Curling:** My understanding is that the House will not be sitting. We have a motion before the House—but will the House be sitting on July 2? Is that confirmed, moved, passed and ready, sir?

**Mr Bisson:** Not yet.

**Mr Curling:** How can we say we're going to sit on July 2 when the House is not sitting at that time?

**The Chair:** My role as Chair is to support the status quo. The status quo is to have the committee sit under its normal business. I would hope we could find an arrangement to do that.

So I would ask each of the parties to declare—and Mr Mazzilli has made one representation—whether they're prepared to go ahead next week with the prospect of limited information. Could I ask each of the parties to express an opinion on that?

I'll start with the official opposition and go around. Could I have an undertaking from you about that?

**Mr Curling:** If we can have the estimates ready for next week, we are prepared to sit. Am I getting the assurance from the government that they will have the details before us within a week? If that's the case, yes, we are prepared to sit.

**The Chair:** Just to be clear: we have the estimates. The estimates were filed with an amendment today for the reconciliation. The estimates are available. It's the details.

Point 64 of the standing orders says, "The minister or person answerable for the estimates considered by the standing committee on estimates shall provide each member of the committee and the clerk of the committee with advance briefing material which shall include such information as growth rates, interim expenditures for the previous fiscal year, and an explanation of the programs and funding by particular item."

That's what we're referring to here. The estimates themselves are in order and have been presented in accordance with the expectations of the House.

I'm looking for an answer, and then I'd like to expedite this.

**Mr Curling:** I think you'll only get an answer if we get some understanding of what's going on.

First, we've got the estimates. We even hear the argument that there are budget figures different than the estimate—the briefing notes more or less help us to be more focused. The ministry is not ready with their detailed briefing.

Personally, I don't feel I can be effective in sitting down with this alone without the briefing notes from the ministry. If that doesn't come forward, if they're suggesting July 2, I think that is out of order, because we haven't even passed that motion yet to sit on July 2. If they can't be ready with their detailed briefing notes by next week, I don't think that we should meet.

**The Chair:** In terms of what you're saying, Mr Curling, you would say that if the ministry cannot have the briefing material available, you would prefer that the committee not sit at all.



**Mr Curling:** That's what I would say. Because I cannot fully get the explanation and the answer unless I have a briefing note from the ministry.

**Mr Peters:** I agree it would be most beneficial to have the detailed estimates in front of us. My concern is we're going to lose time. If we give up the next two weeks right now, that's potentially one less ministry we're going to have a chance to deal with.

In the spirit of give and take, if we're going to back off and say we're going to wait for the detailed estimates to come, I would like some assurances from the government that when we come back in the fall, we're going to be compensated for that time so we don't lose one ministry.

**The Chair:** For the sake of the information of the committee, again, we're indeed trying to get the views of all committee members, but particularly from each party on how they would like to proceed. We are under a limited calendar that will see us right now with a maximum of 45 hours under the calendar that is established. So we are on a very tight timeline to preserve the sitting time of the committee.

**Mr Bisson:** If I could get your disposition on this matter, and then I'd turn to the government party again.

**Mr Bisson:** Mine is quite simple. As you said, we're limited to 45 hours. If we don't sit for the next two weeks, you can lop off one of the estimates that we've put forward. So our position is quite clear: government, be ready to go next week. They've got seven days to get health here with whatever they've got. Show up with your best. We'll be here ready to ask questions. I don't agree that the committee should stand down.

Just on Mr Curling's point, which is perfectly legitimate—the suggestion that we come back—if the estimates aren't ready until July 2: (a) we don't have a motion to sit this summer, so I don't know how the hell we deal with that; (b) we don't have a motion voted in the House that the House is going to be sitting past June 27 at this point. They've tabled the motions, but they've not been voted on. So really, you're in kind of an odd spot.

Our position is simple: health, be here next week, starting Tuesday. We're ready to ask questions. Bring them with what they've got.

**Mr Mazzilli:** I certainly take all the comments in good spirit. But this committee does not have to report to the Legislature until mid-November, I believe. So that's plenty of time for the opposition and everyone to get the proper data, to have the ministers brought forward. So I think between now and the end of November, before we have to report to the Legislature, we should wait to get the accurate estimates so that we can account to the people of Ontario.

**Mr John O'Toole (Durham):** In fairness, I think the operating, as Mr Curling said—and this is surprising, but I agree with Mr Curling on this, that it's inappropriate to go ahead without all of the detailed information that the briefing binder would supply. If the ministers haven't got that prepared, then the ministers possibly would be deferring a lot of the answers and giving us written

answers some time later. So until such time as they're able to provide the details, I'd acquiesce to Mr Curling's position on this.

**The Chair:** I have a proposal to make. It seems to me that everyone would like to proceed if we have the detailed information. The information we have up to now that leads to this issue being discussed is general in nature. Perhaps what I could take forward is the wish of the committee, directed at the Ministry of Health, to try and have their information ready and available for Tuesday of next week, such that if the information is not available, then the committee will be unable to consider it but would regret not being able to do so, because we do have a charge here to consider the ministries in the best way possible. Would that be agreeable?

**Mr Bisson:** No. Listen, it's quite simple. The standing orders say the estimates have to be ready by a certain date. That was not met because the government was late coming in with its budget. There was a motion that the God-darned estimates would be ready at the beginning of June, according to the date of—I forget what the date was—June 17.

You guys aren't ready. Too bad. The estimates are to go ahead according to the standing order and according to the motion of the House, based on what is agreed, which means to say that estimates come here with whatever they've got. They've got enough information to answer questions from the members. I've got every confidence in the estimates process and I've got every confidence in the staff of the Ministry of the Environment to answer our questions. Very seldom are we going to get in a situation where they're not going to be able to respond to our questions.

So I do not agree. Estimates has to go forward next week. I don't agree with the Liberals and I don't agree with the Tories because this is a stymieing of the process otherwise.

**The Chair:** Further comment, and then I guess we're going to have to look for a motion. I put forward a friendly suggestion. If there are others, I'll seek those.

**Mr Peters:** My concern is that we not lose any time. I hear where Mr Bisson is coming from. I would be prepared to look at the proposal that is on the floor, but I want some guarantees that these next two weeks we are going to lose are going to be tacked on to next fall when we return. I'm afraid if we go with this proposal that's being put forward, we are going to lose the opportunity to deal with one ministry, and maybe two ministries. I need to have those assurances that we're going to have that time made up next fall.

**Mr Bisson:** If any government had done this in the past, you guys would have been reeling, as Tories. You're the people who supposedly are the ones that are so responsible when it comes to the taxpayers' money and you can't even get your bloody estimates here on time.

**The Chair:** Mr Bisson, you're out of order.

**Mr Bisson:** Give me a break. This is nothing more than trying to stymie the process and not allow the

committee to do its work, and you guys don't want to be accountable before the public—

**The Chair:** Mr Bisson, up to this point, we have a problem that the government acknowledges is its problem and is not, to the best of my knowledge—I have to assume good faith. They have told us what they were able to tell us on a general basis for all the various ministries, that they were working toward a date, July 2, and that we were unlikely to have the detailed estimates. We're working with the information we've been provided. The standing orders do provide that the government ministry, once called upon, will provide the background material as described. So I think there's a limited amount of discussion that we can go with.

Again, I would put forward the idea that, if I'm accurate in summarizing what has been said, there is a possibility here of taking the wish of the committee to the ministry, asking them to be prepared on the date they're called forward, next Tuesday, and letting that be the determination as to whether we sit.

**Mr Curling:** A point of clarification—

**The Chair:** Sorry, Mr Curling, I'll acknowledge you in just one second.

I just want to see. If there's anyone in support of that idea, then we can proceed; if there isn't, then I'm going to look for a motion.

1610

**Mr Curling:** Mr Chair, on a point of clarification: There's a time when the estimate must be presented to the House. It's in the standing orders.

**The Chair:** Just as a point of information, I would advise the committee that by the regular calendar of the House, we report by the third Thursday of November. We are on track, including next week, should we be able to find a means by which that could be achieved, to sit less than 45 hours in total. That's what we're headed for in terms of total sitting.

**Mr Curling:** Yes. I understand we have to report back to the House on a certain—

**The Chair:** The third Thursday we report or it's deemed reported. That is the standing order.

**Mr Curling:** Yes, at a certain time. If we wanted to change that, we'd have to go back to the House to change that date. So therefore we can't play with that date right now.

**The Chair:** I would say, in response to Mr Peters's point, I had an informal discussion with the House leader, and basically we are to work within our standing orders in terms of any expectations you have for when we will—

**Mr Curling:** Mr Chair, yes, I'm on that wavelength. Between now and then the estimates committee must sit and examine the estimates of the ministry. On Tuesday we can arrive here, and if the ministry is not ready at that time, we just adjourn till the next Tuesday. I don't intend to sit with just this estimates book. Without the briefing notes of the Ministry of Health, I don't know the details. I'd like to ask some questions in regard to the briefing notes. If it's not ready, we then sit at the next date. We're

not postponing anything and we aren't losing any other time. The only problem we have is that the estimates committee does not sit while the House is not sitting. So we are at a disadvantage on that.

**The Chair:** The committee could ask for the ability to sit at other times, if that were the wish of the committee. That request, as I understand it, would go to the House leaders for determination and that's where it would sit.

I think we've canvassed the opinion of this committee and I'm going to look now for someone to bring forward a resolution. My ruling as Chair would be that we will sit unless we're informed that the information is not available. If someone would like to challenge that ruling—

**Mr Bisson:** No. I don't accept that at all. I want to see the government [inaudible].

**The Chair:** I'm going to ask for such a motion, then. If that indeed does not reflect the consensus of the committee, in the interest of everyone's time and moving the committee forward, I would like someone to put forward a specific resolution to this question.

**Mr Chudleigh:** We'd put the motion forward, Mr Chairman, if the briefing notes can be made available next week, that we would sit. But without those briefing notes, I don't think the people of Ontario, nor the members of the committee, can adequately represent the issues on the floor.

**The Chair:** We have a motion that we sit next Tuesday, subject to the availability of briefing notes. All those in favour?

**Mr Bisson:** What is the motion?

**The Chair:** The motion is that we sit on Tuesday if the briefing notes are available.

**Mr Bisson:** Are you now in debate?

**The Chair:** Yes.

**Mr Bisson:** I'm just going to repeat for the record that I'm going to vote against the motion for the simple reason that it is fairly clear what the responsibility of the government is. The government's responsibility is to make sure they're prepared on time for estimates according to the standing orders, and in this particular case, a motion within the House.

I expect the Ministry of the Environment to be here next week to answer questions of the opposition, and/or the government.

**The Chair:** As a point of information, the Ministry of Health is the first—

**Mr Bisson:** What did I say?

**The Chair:** Environment.

**Mr Bisson:** Sorry, I meant health. Environment is our first pick. I stand corrected.

We will be here, prepared to ask questions of the Ministry of Health, and I expect fully that the ministry will be here to answer our questions. Anything short of that is the government trying to play tricks with the numbers in the budget. This is the estimates process. It's all about accountability and transparency. If you guys can't have your ministry here next week, it tells me that you guys are either incompetent or you're trying to hide something.



**Mr Spina:** You didn't even have a budget in 1994.

**The Chair:** Order, please.

**Mr Spina:** Would you like to speak? Anyone else to speak to the motion? Is there agreement on the motion?

**Mr Bisson:** No.

**The Chair:** All those in favour, say "aye."

All those opposed, say "nay."

**Mr Bisson:** We were still in debate, Chair. You moved to the God-darned question right away. I wanted to move an amendment. You don't give anybody a bloody chance. What the hell is it with you, seriously?

**The Chair:** Mr Bisson, you made no indication of that. I asked clearly, and Hansard will back this up, if there was further discussion. I made that request clearly on behalf of everyone in the committee.

**Mr Bisson:** I'm sure the government appreciates the help they're getting from the Chair.

**The Chair:** I think everyone has been getting a generous amount of help today to facilitate their discussion. If there is some further point to be made, I will have to depend on the committee for that. As far as I'm concerned, the discussion has been closed.

**Mr Curling:** On a further point, Mr Chair—

**The Chair:** This would be a point of order, Mr Curling, on this point.

**Mr Curling:** I want to understand what it is, because I will be here next Tuesday under what conditions? I don't know.

**The Chair:** The motion, to paraphrase, is that we sit on Tuesday if the briefing materials are available. That is the motion that was put forward.

**Mr Bisson:** It's called a "Que sera, sera" motion.

*Interjections.*

**The Chair:** I declare the motion carried.

**Mr Peters:** Mr Chairman, a couple of points: there were a number of ministries that had changed and they all had asterisks in the budget. I'm wondering when we will have clarification. Maybe legislative research can do this. Agriculture, food and rural affairs is now agriculture and food, with rural affairs hived off and sent to municipal affairs; the Attorney General, there have been some changes. I would like to know, are all those changes reflected in this estimates book? If they're not, when will we see those changes reflected in here?

**The Chair:** Mr Peters, with the consent of the committee, I think we can direct research to look into that for you and communicate that result to the members of the committee.

**Mr Peters:** My other question: it wasn't attached to the estimates yesterday but it turned up in our mail this morning, and that's the reconciliation of expenditure estimates to budget expenditure. I'm asking the question of leg research whether we could have some further detailed explanation of the explanation that's in it. I'll raise the point—and part of it may be a result of new ministries being created; I don't know—that in yesterday's budget there was a \$192-million discrepancy between what was presented in the budget for agriculture and food and what is contained in this expenditure

estimates document. There's an explanation here, but I would like in layman's terms why the discrepancy of \$200 million exists between this estimates book and the budget that was presented yesterday.

**The Chair:** It's a good point. It relates to the different presentations of the two. We could ask, I think—

**Mr Peters:** I'll tell you why, Mr Chairman. It's contained in here. I'll use agriculture as an example. They have reconciliation of expenditure estimates on page 3. The estimates expenditures do correspond with what is in the estimates book, but there's \$192 million in here and I would like to know where this \$192 million is.

**The Chair:** Again, with the agreement of the committee, because the estimates are on a cash basis and the budget is on an accrual basis, perhaps we could learn what level of detail is available from the ministry in order to facilitate that.

**Mr Peters:** I cite agriculture, that we're looking for—where is this \$200 million? But it relates to a number of other ministries as well.

**The Chair:** Because it is germane to the business of the committee, if that's all right, we will ask research to report back on that.

I would like to make a further request as Chair. I would like to be able to write to the Ministry of Health and say that it is the request of the committee to prepare materials for Tuesday; so that there is no ambiguity, that it is the wish of the whole committee to sit on Tuesday and to have the Ministry of Health ready and prepared for that date if they are so able. Is there any objection to that?

**Mr Bisson:** I move such a motion.

**The Chair:** It doesn't need to be a motion. I need the agreement of the committee. No objections?

**Mr Peters:** Mr Chair, I would like to see you include in that letter that we get them by at least, say, some time Monday afternoon, because to walk in here and have them handed to us on Tuesday afternoon at 3:30 is virtually useless.

**The Chair:** Yes. The tradition of the committee is to have them, but I think the previous motion was to have them at the time we will—I will ask for the proper courtesy to be extended to the members, which is that you have briefing material—to be briefing material it has to be material you can be familiar with ahead of time and therefore make good use of your time and the ministry's. If that is the consensus of the committee, I'll proceed on that basis, so we have the good faith of the committee.

**Mr Bisson:** I want to move a motion that we direct the Chair to write a letter, as explained, to the Ministry of Health, and also to point out our disappointment that the estimates are not ready on time.

**The Chair:** Is there any problem with that?

**Mr Chudleigh:** The estimates were delivered on time, as per the House orders, and the briefing notes.

**Mr Peters:** But they haven't been.

**Mr Chudleigh:** Yes. You've got the estimates.

**Mr Peters:** Not the detailed estimates.

**Mr Chudleigh:** These are the estimates; what you're talking about are the briefing notes.



**The Chair:** The detailed estimates are what we're referring to, as I read from the passage that I just referred to under standing order 64.

**Mr Spina:** I believe the motion that Mr Bisson put forward is out of order because it essentially negates or at least interferes with the original motion that was passed 10 minutes ago.

**The Chair:** Mr Spina, as you can appreciate, I am the Chair. I am not in a position to put forward formal motions. If you wish to—

**Mr Spina:** No, he did.

**The Chair:** He has, and we are in effect discussing that motion now.

**Mr Spina:** I'm suggesting it's out of order. That's where you may need clarification.

**The Chair:** I look for the direction of the committee, which I can get by consensus. I thought I had that consensus. There is a motion on the table that I think undermines that consensus, as you're pointing out, so the motion is in discussion.

**Mr Bisson:** I'm not undermining your consensus at all. I want to go one step further. I want what you have said in regard to asking the ministry to be prepared to be here at estimates next Tuesday, but the addition I want, for the record, and where you don't have consensus, is that we express our displeasure as a committee to the Ministry of Health and any other ministry that does not have the detailed information we are supposed to have. That's the motion I've put forward.

**The Chair:** We do have consensus on the suggestion I put forward. We have a motion that is distinct from that and we have members in favour. The basis I put forward is agreeable to everyone. This is a modification of that. Is there any other discussion of the proposed modification? It is in order because it's a motion. Any other discussion?

**Mr O'Toole:** Excuse me, I want to be clear here. Are we dealing with a motion or just a bunch of conjecture? Is there a motion on the table?

**The Chair:** We're dealing with the motion that was put forward by Mr Bisson.

**Mr O'Toole:** An amendment criticizing the minister—is that what we're actually voting on?

**The Chair:** Yes.

**Mr O'Toole:** I can't support that.

**The Chair:** Any other discussion? Anyone else? Then I would ask, is everyone in favour?

**Interjections:** No.

**Mr Curling:** My understanding of the motion is that Mr Bisson is disappointed that the ministry has not provided us with the materials we need to do proper estimates, in other words, the briefing notes, and he wants a letter to be sent by you, Mr Chair, to express that dissatisfaction. Is that the understanding? Is that the motion?

**The Chair:** That's correct.

**Mr Curling:** Then I support it.

**The Chair:** If there is no other discussion, I would put it. All those in favour, please say "aye."

**Mr Bisson:** I want a recorded vote.

**The Chair:** A request for a recorded vote.

### Ayes

Bisson, Curling, Peters.

### Nays

Chudleigh, Mazzilli, O'Toole, Spina.

**The Chair:** The motion is defeated.

The earlier consensus will go forward and I will convey that.

**Mr O'Toole:** What's the earlier consensus?

**The Chair:** Mr O'Toole, with all respect, I elaborated on it a couple of times and I'd like to proceed, if I can.

Any other business from the members of the committee?

I don't think there is a need for the subcommittee at this time. We will learn how things will sit for next Tuesday and we'll advise all members. Certainly any materials coming forward will be put in the hands of the committee as quickly as possible.

Thank you for your attention today.

*The committee adjourned at 1624.*



# CONTENTS

Tuesday 18 June 2002

Subcommittee membership.....	E-1
Selection of ministries.....	E-1

## STANDING COMMITTEE ON ESTIMATES

### Chair / Président

Mr Gerard Kennedy (Parkdale-High Park L)

### Vice-Chair / Vice-Président

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gilles Bisson (Timmins-James Bay / Timmins-Baie James ND)

Mr Ted Chudleigh (Halton PC)

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gerard Kennedy (Parkdale-High Park L)

Mr Frank Mazzilli (London-Fanshawe PC)

Mr Norm Miller (Parry Sound-Muskoka PC)

Mr John O'Toole (Durham PC)

Mr Steve Peters (Elgin-Middlesex-London L)

### Substitutions / Membres remplaçants

Mr Joseph Spina (Brampton Centre / -Centre PC)

### Clerk / Greffière

Ms Susan Sourial

### Staff / Personnel

Ms Anne Marzalik, research officer,  
Research and Information Services



CA20N  
XC26  
-E77



E-2

E-2

ISSN 1181-6465

## Legislative Assembly of Ontario

Third Session, 37<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Troisième session, 37<sup>e</sup> législature

# Official Report of Debates (Hansard)

Tuesday 10 September 2002

# Journal des débats (Hansard)

Mardi 10 septembre 2002

## Standing committee on estimates

Ministry of Health and  
Long-Term Care

## Comité permanent des budgets des dépenses

Ministère de la Santé et  
des Soins de longue durée



Chair: Gerard Kennedy  
Clerk: Susan Sourial

Président : Gerard Kennedy  
Greffière : Susan Sourial

### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Copies of Hansard**

Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

### **Exemplaires du Journal**

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.





## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Tuesday 10 September 2002

Mardi 10 septembre 2002

*The committee met at 0920 in room 151.*MINISTRY OF HEALTH  
AND LONG-TERM CARE

**The Chair (Mr Gerard Kennedy):** Minister, welcome. Some sympathy for the reason for your delay, given that the traffic also affected me this morning. But we will commence, with your attendance. I'll start by introducing people, welcoming them to the estimates committee. Our job here is seven and a half hours of examination of the Ministry of Health. I'd like you to know that we are assisted here by an able staff. We have clerking here today Katch Koch, assisted by Tonia Grannum from the clerks' office, Tim Humphries from Hansard, and Anne Marzalik is the researcher for the committee.

I want to welcome all the members here today. Everyone is aware of how we proceed. Minister, you have half an hour to indicate to us whatever remarks you'd like to put, followed by half an hour for each of the parties. I'd also like to welcome your staff here, Minister. I'll note, for posterity, I suppose, that this is the strongest showing of support we've had for any minister. I note for the record that they are all Ministry of Health employees, but we're glad to have some 48 experts here. I'm sure it will enhance the job of this committee today, which is a serious obligation, to examine the expenditures and other operations of the largest ministry of the government. With no further ado, Minister?

**Hon Tony Clement (Minister of Health and Long-Term Care):** Thank you very much for the opportunity, Chair, and thank you for the indulgence of the committee. Now that I'm no longer transportation minister, I can blame traffic now and again. Thank you, as I say, for your indulgence. I will also ask for your indulgence around lunchtime. I have a commitment that might take me about a half an hour beyond your scheduled return, but I'm sure staff would be happy to carry on until I can extricate myself from that commitment as soon as possible.

I'm joined at the front by some members of the able staff to which you referred. I am flanked by deputies. Deputy Minister Phil Hassen is on my right, and on my left is associate deputy minister Colin Andersen. Assistant deputy minister Maureen Adamson is also with us. Since Ben Hur, the play, is not on today, we do have

the cast of Ben Hur behind me. I'm sure they'll be able to ensure that I am as accurate and as comprehensive as possible, which is certainly part of my obligation which I take seriously.

This is the review of the estimates for the Ministry of Health and Long-Term Care for the year 2002-03. This is also an opportunity to discuss the government's and my ministry's achievements with respect to Ontario's health system as they are applied through our budget. I am pleased to outline our plans to continue with the creation of a health system that works for all Ontarians.

Our government, the Ernie Eves government, knows that Ontarians, indeed all Canadians, see universally accessible health care as central to our way of life. I was reminded of this fact recently at the health ministers' meeting in Alberta just last week.

Since 1995, our government has been working hard to modernize Ontario's health system so that it can keep pace with our changing times and needs. We want to make sure that it serves people now and in the decades to come. Our efforts have been led by what I would call an unwavering commitment to the underlying principles and the foundations of the Canada Health Act, which, among other things, embrace the principle of universal access to our country's and our province's publicly funded health system.

The health system we've built has established a strong foundation for the future. However, as you probably are aware, with levels of federal funding for health care still below what they were during the Mulroney years, we are all forced to come up with creative solutions to make the best use of our fixed resources that seem to be sometimes shrinking compared to the costs we face.

This pressure to find solutions has motivated a number of exercises in health care sustainability over the past year. We've seen this on the national scene with the Romanow commission, the Kirby committee, and Alberta's Mazankowski report, just to name a few. While such discussion of course is healthy, it should not stand in the way of action. To address the complexity of health care issues and delivery systems across Canada meaningfully, we need broad-minded and national debate. But this debate should not become an excuse to delay federal commitments to our publicly funded health care system.

In the absence of federal involvement, I can tell you that provincial and territorial leaders have been forced to look for solutions on their own. Here's how we did it in

Ontario. We engaged the people we serve in a dialogue on health care. We asked what we could do better and what the people of Ontario wanted changed. We thought it made sense to ask the people who the system was designed to serve, who pay for the system through their taxes, what shape they wanted it to take in the coming years. Every Ontario household was given the health care questionnaire to complete. More than four million questionnaires went out, to every household across the province, and more than 400,000 were returned to us. Anyone who knows anything about marketing knows that a 2% or 3% return on direct mail is usually exciting for the marketers. We had a return of 10%. That tells you the commitment Ontarians have to a better-functioning health care system.

We had expert tabulators consider the returns—I had the opportunity to read hundreds of those responses myself—and here is what we found. Although people raised many specific issues, most system-wide concerns stemmed largely from the shortage of medical staff or the long waits to get a procedure or a test done.

After we tabulated all the results, I'd like to loosely summarize the feedback we got. People said: "Make sure I have access to the health care system when I need it." "Make sure it's funded adequately." "Make sure it's working well." "When I'm sick ... I want to see a professional, I want them to have the tools to diagnose and to treat me, I want it to happen as fast as possible, and ... I'd rather not get sick at all."

Put more formally, the people of Ontario gave us seven priorities for improvement. They had three system priorities: first, that our health system must be universal and easily accessible; second, that our health system must remain a priority for future levels of public funding; third, that our health system must be managed with excellence for both consumers of the health system and for performance accountability. And they had four service priorities: increase the number of doctors and nurses in the system; provide improved access to early diagnostic tools to catch illnesses earlier; reduce waiting lists; and refocus the health care system to help keep people well in the first place.

That's what the people of Ontario told us, and we're listening. That consultation and the necessary response to it have helped shape our focus over the past year and they continue to do so with this year's budget. That budget, I can report to you, this year is \$25.5 billion. This represents an increase of 7.3% over last year. Indeed, since this government first came to power in 1995, that represents an increase of 45% or nearly \$8 billion.

This growth has supported a number of initiatives in our priority areas, and I'd like to address the priority areas in the remaining time I have today.

First, health human resources: in terms of health human resources, we remain committed to responding to the needs of Ontario's communities, and indeed this has been a central priority. We recognize that having adequate physician services throughout the province is essential for Ontario to meet its current and future health

care needs. Given the persistent problem of physician distribution in Ontario, with shortages in some geographic areas or population groups, we have moved forward on several initiatives to improve access to physician services throughout the province. These are a direct response to the recommendations contained in the report of the Expert Panel on Health Professional Human Resources, which was released in early 2001.

#### 0930

So we are moving forward with plans to establish the new two-site medical school, with campuses in both Sudbury and Thunder Bay, to encourage physicians to learn and live in northern Ontario. We're also providing up to \$40,000 in tuition reimbursement and location incentives for each medical student to practise in underserved locations upon graduation.

We've added all of the 160 new medical school positions announced last year. Forty-seven positions were added just this fall, completing a 30% overall increase in the number of medical school positions in the last three years. We've also created 50 additional rural, regional and northern post-graduate training positions. These positions are in enhanced family medicine and core specialties such as anaesthesiology, general surgery, obstetrics and gynecology.

We're also working with the University of Western Ontario and McMaster University to implement two new rural and regional training networks in southwestern Ontario and central south Ontario respectively.

Last year, we announced a three-year, \$20-million investment to help retain doctors in northern Ontario. This provided eligible physicians with a \$7,000 retention initiative paid at the end of each year over a three-year period.

Since 1999, we've more than tripled opportunities, from 24 to 90, for international medical graduates—as we call them, IMGs—to get the training and assessment they need to practise medicine in Ontario. This includes a new program with opportunities for up to 40 foreign-trained physicians to enter a fast-track program of assessment and registration in return for practising in an undersupplied community. I'm pleased to report that the first assessments began in May. We hope some of these doctors will begin practising by the end of this year.

In addition, we're undertaking a comprehensive review of the underserved area program and enhancing our capacity within the ministry for health workforce planning.

Of course, we recognize the vital role nurses play in Ontario's health care system and the need to continue to build on nursing investments. To this end, we've made several new announcements to address nursing issues in Ontario. These include a commitment to more than double the number of nurse practitioners in the province, a commitment to make the changes necessary to allow all nurses to work at full scope of practice, and \$100 million for the long-term-care facilities sector to enhance the delivery of nursing and personal care. This should add up



to 2,400 nurses and personal care workers to facilities across this province.

Since 1999, we've invested more than \$800 million to create new full-time and part-time nursing positions in Ontario. We continue to work with our nursing stakeholders, the employers in the province, and the nursing researchers to support the profession.

Fundamental to our vision for the future of our health care system is primary care reform and expansion: the development of an accessible, integrated, dependable system where physicians and other practitioners work in teams to provide comprehensive care to patients 24 hours a day, seven days a week.

I'm proud to report that we've added five new family health networks since the spring, one in each of Oakville, Guelph, Campbellford, Mount Forest and Stratford. These new networks join 14 existing networks where 176 physicians and some 277,000 patients are already enrolled. This, of course, is just the beginning.

I want to talk about access to diagnostics. As I mentioned earlier, another key priority that arose from last summer's public dialogue is access to diagnostics. This government shares that priority and has a demonstrated track record in enhancement of those diagnostic services. Simply put, we're committed to improving access to timely treatment and quick, accurate diagnosis so Ontarians can get the care they need where and when they need it.

In 1995, there were 12 publicly funded MRIs in the province. Over the last seven years, we've approved no less than 32 new MRIs, bringing the total in the province to 44. But we're not finished.

In this year's throne speech, we committed to continue to add to the number of MRIs and to increase their OHIP-funded hours of operation. I'm proud to say that this July I announced plans to provide up to 20 new MRI machines and five new CT scanners, and this year's budget committed an additional \$28.3 million to increase the hours of operation for the existing hospital MRI machines. That's an increase of 90% of their funding.

Thousands of patients across the province will benefit every year from this investment. It means that the latest diagnostic tools will be available to patients faster than ever before, reducing the frustration and the stress inherent in wait times.

I'm also pleased to report that over the past two years we've directed more than \$380 million to purchase new medical equipment as part of the federal medical equipment enhancement fund. The money that we have used has been used in a variety of settings, including hospitals, regional cancer centres, independent health facilities and community health centres. This funding helped to acquire and install diagnostic and treatment equipment, helping nurses and doctors provide more effective treatment.

This year's budget also supports an increased investment in what we call telemedicine. Telemedicine is a term we use to describe the delivery of health services and the transmission of information using telecommunications for clinical and educational purposes. This

year's investment will help build on current projects and work toward ensuring that telemedicine activity in Ontario is coordinated, sustainable, cost-effective and consistently provided across the province, particularly to rural, northern and underserved areas.

I want to talk about wait times. When it comes to dealing with wait times, the central issue is building system capacity. While our commitment to increased diagnostic services is a huge step forward in this respect, it is our hospitals that of course lie at the heart of the system. Hospitals work in concert with patients, with the community, with front-line providers and with one another, and the more effectively they work, the fewer people have to wait for care.

I'm pleased to report that this year's budget ensures Ontario's hospitals will continue to provide the very highest level of patient care, building on the 88% of Ontarians who rated the care they received in hospitals as good or excellent.

During 2002-03, the province will spend a record \$9.4 billion on hospitals. That's a 7.7% increase for the hospitals over the past year. Such unprecedented support will help hospitals in their continued mission to provide timely access to the full range of hospital care and treatment. We're well aware that these new and vital activities need to be organized coherently across the province, and that's why we continue our engagement in the largest hospital restructuring exercise in the country, ensuring a modern, effective and efficient hospital system.

As we discussed in this year's budget, we face major challenges in new capital investment in hospitals and other health care facilities even though we have already invested \$2.5 billion to expand, modernize and build new hospitals, and support community health infrastructure.

In 1995, after the decade that we inherited, where we had a broken system with empty corridors and outdated equipment that weren't serving patients or professionals well, we decided we had to reinvest and redesign the system to protect the universal access and to serve Ontario's patients better. This year we will continue to work closely with these health care partners to facilitate the implementation of the Health Services Restructuring Commission directions. While all of the HSRC-directed hospital governance amalgamations have been completed, there is still considerable work to be done. Hospitals across Ontario are at various stages of capital project implementation, including functional programming, design, tender and construction. To assist them, this year's budget contains an additional \$153 million for health capital, which is an increase of almost 80% over last year.

Right now, I would like to address how we are also targeting specific programs to improve waiting times.

#### 0940

Patients with the most complex or unstable conditions require active medical management of their care, frequent medical interventions and technologically based hospital care. Since the year 1999-2000, we have put 543

new rehab beds into operation. We plan to add another 564 beds over the next four years. This is a first step in reforming our rehabilitation system to ensure that patients receive appropriate rehab services faster.

We've also directed \$9.6 million to expand and evaluate cardiac rehab centres in Ontario, based on the report of the consensus panel on cardiac rehabilitation and secondary prevention. Since 1995, this government has approved more than \$186 million in new funding to support roughly 69,000 additional cardiac procedures. Our plan encompasses a continuum of services from heart disease prevention through diagnosis and treatment to cardiac rehabilitation.

When it comes to emergency health services, every Ontarian deserves access to an ambulance when they need one. Just last month, I announced \$32.5 million to enhance emergency health services by creating positions for over 500 more paramedics and 66 new full-time-equivalent dispatch workers. Together, they will help alleviate ambulance pressures, improve ambulance response times and, overall, improve the delivery of emergency health services.

We continue to work with Cancer Care Ontario and the University Health Network/Princess Margaret Hospital to reduce Ontario's cancer wait times. In the 2002-03 budget, I am proud to say we have committed to further increasing support for cancer patients. Increased funding of \$50 million will be provided over three years to enhance the Ontario cancer research network, doubling the number of patients who can benefit from this research, and \$29.5 million will be provided to modernize and upgrade cancer radiation equipment.

This year, our total funding for Cancer Care Ontario is \$312 million, a 27% increase over last year. This means cancer patients will receive care more quickly, using more effective drug treatments. It will also be used to purchase new, leading-edge anti-cancer drugs to combat breast cancer, ovarian cancer and lymphoma. Patients from Ontario who suffer from lung, prostate and colorectal cancer will also benefit from this funding.

We also reduce wait times by improving access to medical services. Alternative funding plans, or AFPs, as we call them, are used to provide flexibility in practice, encourage coordination or integration, improve compensation for highly specialized groups, and assist with retention and recruitment of physicians. The ministry currently manages more than 260 contracts, valued at over \$445 million, with more than 3,350 physicians participating in some capacity.

This year, increased funding will be particularly focused on emergency department services, specialists in northern centres, specialized pediatric care and physicians in academic health science centres.

Furthermore, as you know, in 1996-97 we created 43 community care access centres across the province to provide a simplified entry point for people in need of community-based long-term health care. In the 2001-02 year, Ontario spent nearly \$1.2 billion for services provided through CCACs, and some \$1.6 billion on long-

term-care facilities. Ontario's spending on home care has increased by nearly 70% since 1995.

Since 1998, Ontario has been engaged in the largest-ever expansion of long-term health services in Ontario's history: a \$1.2-billion plan to improve long-term-care facility and community programs over six years. Some \$600 million of this investment is directed toward long-term-care facilities to meet the increasing care requirements of residents and the growing numbers of elderly people requiring care.

Our plan has always been to provide the health services we need not just for today but for the 21st century, as we progress through that century. We are making room for Ontario's growing and aging population, building new long-term-care beds and rebuilding existing beds in our system.

I can report to this committee that to date more than 6,600 new beds have been built and occupied and another 13,400 are currently under development or awaiting municipal approval. We have also rebuilt more than 2,000 existing beds to comply with current standards and more than 3,700 are currently tendering or under construction.

Today's new design standards feature a more home-like environment and promote a better quality of life for residents. I'm sure many members of this committee have visited the new facilities in their communities and can attest to this fact.

This year's budget provides nearly \$100 million to continue the expansion of long-term-care beds. As we can all appreciate, more beds mean less waiting. It's a simple equation. We are also reducing wait times through changes we made this year to long-term-care placement coordination services. Those changes mean that bed vacancies in LTC facilities will be filled more quickly by people with the greatest need of facility care.

In the remaining moments I have left, Mr Chair, I would like to talk about health promotion and wellness.

**The Chair:** Minister, before you make that transition, if it is possible, at least one copy of the minister's remarks would be helpful for the subsequent proceedings, if that could be passed to the clerk.

**Hon Mr Clement:** By all means, Chair. Thank you for that point.

**The Chair:** Please continue.

**Hon Mr Clement:** People told us to keep people healthy in the first place before they get sick. So one responsibility of a modern health system is to show people how they can lead healthy lives and indeed stay healthy. That responsibility bears a double accountability. It takes both the system and its users to make it work properly. It means we need to encourage people to ask themselves difficult questions such as, "Am I healthy right now? Am I making good decisions about my health? Am I making good decisions for my children about healthy practice and healthy diet?" And of course we need to help people answer those questions and to take action on those answers.



With this in mind, our government will continue to focus on public health promotion. We know that most illnesses and premature deaths are preventable. For example, in Ontario it is estimated that more than 25% of all deaths attributable to cancer are due to tobacco use, poor nutrition, physical inactivity or alcohol consumption. There are few people who are unaware of the impact of smoking, the leading preventable cause of premature death, disease and disability.

Health promotion and disease prevention programs pay off by creating a healthier population, reducing human suffering and financial stresses of the system and strengthening the system's sustainability in the long run.

I am proud to say that Ontario leads the way in a number of excellent prevention programs. For example, a baby may be born with Down's syndrome or have a congenital heart defect. A six-week-old may not be turning its head toward noises. A toddler may be a late talker. We are committed to ensuring that these children can still achieve their best. Supported by annual funding of \$74 million, the Healthy Babies, Healthy Children program is in place to help address the well-being of Ontario's children and give them the best possible start in life. Any one of these or many other problems sets in motion a network of community resources to help.

As well, we have an innovative \$44-million program that has made free flu shots available to everyone in this province in each of the past two winters. Still the only program of its kind in North America, it aims to keep people healthy and reduce pressures on family doctors and emergency rooms. As well, we are investing an additional \$9 million to support West Nile virus surveillance and prevention this year and indeed that program is in full swing as we speak.

Chair and colleagues, I can elaborate, in the presentation, on our healthy programs with respect to heart health, our stroke program, our program with respect to rehabilitation of stroke victims, our program when it comes to asthma and action, our program with respect to mental health programs and services, including new community-based services and homes for special care and general psychiatric care. All of these are new initiatives since 1995 and indeed show that we have placed our emphasis not only on hospital care but also on community-based care.

0950

Our success in Telehealth Ontario, another program that helps ensure that our emergency rooms are not overcrowded, is as well a signal program for the past year and indeed is supported by an annual budget of \$45 million this year.

In the remaining moments of my time, I wish to commit to you that health care must and will remain a priority for public funding now and in the future. It has grown, in terms of budget, from \$17 billion in 1995 to \$25.5 billion this year. Again, health care spending is rising faster than our economy. Indeed, at the rate we have experienced over the last few years, we are well on our way to approaching a budget that represents 60% of

Ontario's program spending, given current rates of expansion, in the next few years. Right now it's 47% of program spending, up from 38% when our government was first elected. That means our federal partners have an important role to play when it comes to sustainability.

**The Chair:** Minister, I wonder if I can pause you.

**Hon Mr Clement:** On that note, we'll leave it to the questions as they come forward. Thank you for your time and your consideration.

**The Chair:** Thank you for that effective transition.

We will now turn to the official opposition. Mrs Pupatello?

**Mrs Sandra Pupatello (Windsor West):** Thank you. I'll be sharing my time with members from the Liberal caucus as well, Chair.

**The Chair:** To the official opposition and third party, you may use this time to speak, or you may, with the indulgence of the minister, go right into questions. It's up to you.

**Mrs Pupatello:** I think we'll have some brief remarks and commentary. We'd appreciate getting a copy of the minister's remarks. If we could have that distributed to committee members this morning, that would be super.

**The Chair:** We've requested that and I understand it's forthcoming.

**Hon Mr Clement:** Yes. I had some late changes, Chair. I apologize. We'll get you an up-to-date copy.

**Mrs Pupatello:** OK. We are happy to hear some of the reporting from the minister, at least his opinion of what has transpired over the course of government since 1995.

To do a brief review, when this government took office, they initiated a restructuring health services committee that went through the province and essentially restructured hospitals and had a huge impact on most community services involving the health sector.

We recall that time well, because under the chairmanship of Duncan Sinclair, he promised communities across Ontario investment in community programs and services in the health sector before there would be changes in hospital and institutional care. We remembered that very well, because many of us come from many of the communities that were changed dramatically in terms of how services would be delivered in Ontario.

What this government failed to do, from 1995 on, was to understand the function of funding the right place at the right time in the health sector. While this minister may not have been the minister at that time, he certainly was part of that government that created enormous panic and long waiting lists and loss of personnel in the health sector because of the policies of this same government. They in fact refused to fund the community. Even though services were being forced into the community, the services in the community were not ready to accept them because they hadn't been expanded to deal with that massive increase in volume. Probably the best example of this is the home care sector.

This government launched a change in how home care services would be delivered in Ontario. Once hospitals

essentially were forced, through new utilization levels, to throw patients out quicker and sicker back into their communities and into their homes, there was a dramatic increase in demand for home care services. At the same time, this government undertook to restructure how they would deliver home care services. They went to a bidding process, invited the private sector to play a larger role in this, all the while not understanding that the demand was increasing wildly, and increases that this government was sending into the home care sector were simply not meeting that demand.

The result was quite dramatic. The result essentially pushed people out of the nursing field. So while we are facing across the nation a significant loss of staff due to the age of the staff—we know that the nursing sector, for example, is under tremendous strain; we don't have enough of them; we're not graduating enough of them—but coupled with that, in Ontario they also had to deal with government policies that pushed them out of the sector. They were being laid off in droves from hospitals because of budget constraints at the hospitals. In the long-term-care sector and in the home care sector, we gave them such tremendous and difficult circumstances to work in that we were not making it a pleasure to be a nurse in the field. So we're having a struggle getting people to come into the nursing sector and stay.

Border communities are probably the best example of this. While I would visit nursing classes every year and ask these graduates where they intended to work, often not one hand would go up when I asked who planned to work in Ontario. There is such a tremendous drain in Ontario to places like Michigan and Texas and these massive commercial enterprises that are coming up to essentially pillage us. After we've expended the time and energy to train—and we have a well-known training program across the province—we're losing people instead of gaining them.

So our biggest fear for the future, for what we see in this next year and up until this next election, is that the government doesn't seem to be funding the right way in the right places. Instead, as we're in a year before the next election, you realize you've got a lot of patching to do, a lot of patchwork, and you will start throwing money around for the political purpose of becoming re-elected, as opposed to good health policy for Ontario.

Primary care reform is probably the best example of this. Several years ago, this same Conservative government started a goal of 80% participation in primary care reform. Today we're at 3.47%. Yesterday at the minister's press conference, he suggested that this was landmark and trailblazing. Minister, my comments yesterday were that I believe you're going to need divine intervention to reach an 80% goal in primary care reform.

We realize that the system needs a much better way of doing things. While the minister seems to be using the right words in the various headings and in the various organizational charts within the ministry, of integration and better use of professionals in the field and allied professionals working for primary health centres and

primary care networks, the minister simply is not coming to the table. The minister is busy at ribbon-cuttings, introducing new primary centres that only include doctors. He went to another yesterday to announce four new primary care networks that include only doctors. I think this ministry is actually advancing the moving business, because we're having doctors move into new facilities but we're not changing the way they do business.

Until we change how primary care is delivered, which is a real and better and optimal use of all the professionals, we're not going to save the ministry the money it thinks it would save, nor are we going to be better for the consumers of Ontario. And that's really got to be the goal.

I think with the survey that the minister spent millions on to get his 10% return, I was convinced that you made the card too small when you asked the public for their opinion about the health care system in Ontario. I know, based on the copies I got in my office, that people spent time writing along the bottom, up the side, along the back, and there was not a computer system in the world that could have introduced that information into your survey result. They had much to tell you and they were, in fact, very constrained about what they were allowed to tell you in that card that you sent around and spent millions on to tell you what your loyal opposition has been telling you for seven years: that access is paramount. People want to have the care they need when they need it. The Ontario Liberal Party has long believed that primary care reform is key to this and still, even as late as yesterday, the minister didn't understand that announcing four new doctors' offices doesn't bring us any closer to primary care reform or to his own 80% goal.

Several of the issues that were raised in the survey results have been repeated and repeated in the House over the course of the last seven years, and now into our eighth year. The universal access, the lack of personnel across the board in the health sector is absolutely paramount and the public has continued to speak on this. On every issue it comes down essentially to those two functions.

#### 1000

This minister this morning spoke about the two new medical sites in the north. Are the new students already enrolled there?

The minister mentioned the site that would be in southwestern Ontario. There hasn't been any money that has flowed for this program yet, and Western hospital is struggling to make sure that happens. In our community of Windsor, which ought to be a major part of that southwestern rural training centre, we can't find the family doctors who would be prepared to take these trainees on so that they can learn. That's because we have such a severe shortage of family doctors, they don't have the time or wherewithal to take those positions on. So where will they go? How are we going to get these trainees to potentially come back and practise in such a severely underserved area?



So while I appreciate that he has taken this first half-hour to repeat the various announcements we've had, I would have liked to hear the minister focus on how he intends to address the many problems that still exist with the announcements that we have had over the course of the last seven years.

In the area of nurses, while we mentioned primary care reform—we understand that you'd like to double the number of nurse practitioners, but, Minister, we would have liked to hear how you intend to fund nurse practitioner positions in Ontario. What is the point of training them if we're not going to use them to their optimum? That would be just a waste of money. It's a terrible tease for these nurses to train them and then have them underworking in some position as opposed to—in your announcements yesterday of your four new primary care networks, not to have included nurse practitioners was such a missed opportunity.

Access to diagnostics: It's notable that the minister didn't discuss the involvement of the private sector and private individuals paying for the use of the new MRIs that he's selected to announce since July. The 20 new ones in fact created quite a stir in the public's mind because the minister will now allow, by effective policy of the ministry, queue jumping for the use of MRI. And when the minister was specifically asked by the press, "Will individuals be able to pay?" the minister responded that that would indeed be the case.

Minister, we have yet to find a piece of evidence that suggests that this will result in anything other than queue jumping—in fact the contrary: we have found volumes of evidence where it's existed in other places that it will in fact be queue jumping here in Ontario. So while you talk about universal access, what you've actually done is limit universal access.

You spoke about the billions of dollars that you're going to send to hospitals. The minister failed to talk today about the multi-year funding model that he himself has promised since he's become minister, let alone the government itself having promised multi-year funding, but we expected to hear that. In the last several months, under a new Premier in Ontario, we expected to hear multi-year funding, but that was not announced today.

This new operating money that is being assigned to hospitals—I'm curious to see how much of that will be used to finance the debt charges that are being racked up across hospitals in Ontario. We know that operating dollars in hospital budgets are now being used to finance the debt they're incurring at a local level. Ontario in its history has never had this level of debt at the hospital level like we've seen under the Conservative government. I have visited hospitals in Ontario and we do have empty corridors here. That's because the hospitals, still with their debt, are not able to open the beds they require. And that's why still today we have emergency rooms that are full. The minister will likely be interested to take a canvass of hospitals and the new policies in some of them around emergency room use.

We have an anger management policy in one of the hospitals in the north that would allow the staff of the

emergency room to call the police if there's anyone that's really angry or being aggressive. This is something that Ontario has never seen but we have it today in an Ontario hospital. In a hospital in southwestern Ontario we have now adopted a new pain protocol which would allow a nurse to administer pain medication in the waiting room because they can't get the patient into the room. They're going to do it in the waiting room so these people, at least while they're waiting in the waiting room, might have some kind of pain shot to make the wait more manageable.

So while we're talking about hospital financing, we still are not addressing, Minister, real issues that are affecting Ontarians, who are looking for good care.

The minister talked about wellness and prevention. One of these programs that we had at the London Health Sciences Centre, for example, was the gastro surgery that is commonly known as "stomach stapling." The doctor who performs this procedure there is very well known for assisting the very obese at this centre. The hospital there just determined all on its own that it was going to eliminate this service because it was available in other centres in Ontario. The reality across Ontario is that there's a waiting list of up to two years for this surgery.

This is the kind of preventive medicine that is necessary for many people in Ontario but is virtually ignored by this minister. Even when that issue was raised in the House, we didn't have an answer. I'd like to know, of all of the staff who are here today under the auspices of the minister, which department, which assistant deputy minister is responsible to see that hospitals which make arbitrary decisions to delete services—who looks out in the bird's nest across the province to say, "This is the level and type of service that we expect to have in each region"? Who says that?

The best example of this might be the hyperbaric chamber that's going to simply be eliminated for the next 15 months here in the greater Toronto area. That's a very arbitrary decision because the service may be available elsewhere in Ontario. Where in your massive \$25.5-billion ministry, Minister, is the individual or the department responsible for saying, "This is the service level we insist on having in every region in the province"? It doesn't exist. While the minister has been asked the question, in this case about the hyperbaric chamber in Toronto, we don't have an answer, and we don't have a department to call that says what will be cut and where and that says what service will exist and where.

So while we appreciate that this minister is well-meaning and wants to have services provided, on the ground where services are being delivered, I believe the minister has to have a hand in saying what will exist and what will be eliminated. To wash his hands of arbitrary hospital board decisions is simply not acceptable.

I'd like to allow some time for my colleagues as well to complete that 30 minutes.

**The Chair:** Thank you, Mrs Papatello.

**Mrs Lyn McLeod (Thunder Bay-Atikokan):** As the minister may have observed, our approach in this opening segment is to get a number of issues on the table. We



are going to return to very specific questions. You may feel as though you're being rather inundated at the moment. I'm going to add one issue and then turn it over to my colleague. I will put my issue on the table in the form of a very specific question, and I would appreciate a response, if not in this segment, in the next one.

The concern I want to raise with you is the northern health travel grant program. You know the history of this, so I won't go into it. As northern representatives, we have worked for a very long time on behalf of our constituents to have the inadequacies of the northern health travel grant program acknowledged and addressed. We were somewhat gratified that there was an increase in funding for the northern health travel grant program announced over the course of the past year.

When I looked at the estimates book, however, I saw the increase in the program reflected in the difference between last year's estimates and the actual expenditures. Last year's estimates were \$6.8 million, and the expenditures were \$11 million. That seemed to me to be fairly consistent with what you might expect, given the 50% increase in the allowances.

What shocked me, Minister, was to see that the estimate for next year is back to the amount it was in last year's estimates prior to the announcement of the increased funding. So my very specific question to you today is, are you going back on the announcement or are you planning to curtail the number of people who qualify for the grant in order to ensure that your announcement of increased allowances for the travel grant doesn't actually allow for an increased budget or lead to an increased budget for your ministry?

**Hon Mr Clement:** Would you like me to answer now?

**Mrs McLeod:** I'm going to leave it at that one question. So if you have a response now, I would appreciate it.

**Hon Mr Clement:** I will maybe have to answer it in two parts while we research that specific issue, but I can tell you that my understanding of the northern health travel grant is that it's based on meeting a certain set of criteria. As in certain aspects of the health care budget, it's open-ended after that.

**Mrs McLeod:** Maybe I can spare some time and we can come back to it with a response. Because you're absolutely right: it's open-ended. There are certain criteria, and given the announcement of the increase in the grant for each individual who applies and qualifies, there's absolutely no way you can run the northern health travel grant program next year at the same \$6.8 million you estimated for it last year. So we want to know why you put in that money, that estimate.

1010

**Hon Mr Clement:** It would not be a case of changing the criteria in mid-stream. It would be a case that there's a place holder—sometimes we put place holders in the budget. We'll research it, but I'll give you—

**Mrs McLeod:** OK. I'll look for the answer. But the place holder at a very minimum should have been last

year's expenditure, otherwise I'm very suspicious about some cuts to this program.

**Hon Mr Clement:** I can give you my assurance that we're changing the criteria, if that's what your concern is. But we'll give you a more specific answer.

**Mrs McLeod:** Thank you. I'll leave the balance of the time to my colleague.

**Mr John Gerretsen (Kingston and the Islands):** How much time have we got left?

**The Chair:** You have approximately 10 or 11 minutes.

**Mr Gerretsen:** Thank you. I'll take the Chair's word for that. I'd like to turn to the long-term-care situation.

But before doing that, one of the other issues I've been extremely interested in and concerned about—and I noted your comments with respect to the foreign-trained doctors who, in my opinion, we're simply not utilizing enough in this province. The same goes for nurse practitioners: I can't for the life of me understand and the average person out there cannot understand why we have close to 400 or 500 registered nurse practitioners, people who have the requirements, but we're only funding half of them, particularly when we have such a large shorting of doctors and medically trained people in underserved areas. Is it just a question—I'll put it out here hypothetically and you can answer it later on—that the ministry simply has decided that it doesn't want to fund these positions at the levels they should be funded?

It's exactly the same question with respect to foreign-trained doctors. Even in a community like my own we have 10,000 to 20,000 people who do not have a family doctor, who simply are unable to get a family doctor. I come from a part of the province that has one of the five medical health science centres, and presumably everybody would assume there are enough doctors. But there are 10,000 to 20,000 people in my immediate area who do not have a family doctor and are unable to get one. Why are we not more quickly qualifying people who are foreign-trained and meet our qualifications? When I've asked this question in the House a number of times of you and of your predecessors, the answer has always been, "Well, that's up to the College of Physicians and Surgeons; that's up to the OMA." It's always up to some other group. Now, all of a sudden, I take it that you obviously do feel some responsibility, because you've allocated funding for 40 of these positions, if I took your comments correctly.

Why aren't we getting together with the necessary bodies that do the approval mechanisms to get as many of these people as possible qualified and get them out in the field where they're needed, both in the nurse practitioner area and in the foreign-trained doctor area? Is it just a question of money, that basically you don't want to give the doctors OHIP numbers so they can start billing the system? What is the problem there? That's what the average person out there would like to know. Maybe in your response later on, Minister, you could address that.

I'd like to deal with the long-term-care situation. I've been in public life in one way or another for 25 to 30

years, and I can't ever remember an issue that caused as much fear, anxiety and distress among the residents of nursing homes, and I've visited many homes, probably between 15 and 20, mainly in July, during that period of time—the amount of distress that many of the residents and many of their caregivers, primarily their children, had about what was going to happen to their parent as a result of the 15% increase that you initially implemented. I know you'll come back and say, "We backtracked from that and we've now decided to make it 15% over three years rather than 15% all in one shot," which in most cases amounted to something like \$230 a month. I would like to know what the thinking was, what you or whoever came up with this idea were thinking, to try to implement this and try to get this out of people, most of whom are in their late 80s and early 90s, people who have lived primarily on fixed incomes for the last 20 or 25 years.

I heard from many individuals who had worked for governments, both provincially and federally, who had retired 25 years ago, people who have always paid their way in life, people who have never asked for anything from the system at all, who were basically telling me, "Mr Gerretsen, I don't want to fight with the government, I don't want to fight with the home here, I don't want to get politically active, but for the first time ever I'm going to have to go on some sort of subsidy system because I cannot afford the additional \$230 per month."

So it's nice of you to come here and talk about the 6,600 new beds that have been created or that are in the process of being created. I can tell you that the anxiety level that you and your government caused by making that announcement the day after the House rose in June, when in fact the cabinet had approved this at some time at the end of May—I don't know what the normal procedure is, but it's my understanding that usually when a decision like that is made, it's gazetted and everything else within a week or two, but somehow, somebody sat on this for four weeks so it could be announced the day before a long weekend. That may be just a minor issue and a temporary issue, but I can tell you that it tells an awful lot of people what was really going on and the kind of contempt, quite frankly, that the government appears to have for the senior citizen population that resides in these homes.

I know the argument can be made, "Well, nobody was going to get kicked out," and that's a given. But a lot of these people have never wanted anything from the system, they've always paid their own way, and all of a sudden they were placed in the position where they were going to have to be placed on some sort of a subsidized system and they don't want that. Many people fear the fact that they may be taken out of their private accommodation and put into a semi-private room, or out of a semi-private room into a ward accommodation.

Petitions have been taken up, not only by ourselves but also by other parties, by interested groups out there. We've already got petitions that total some 25,000 to 30,000 names of individuals who are concerned, and they're still coming in. Even though you may have back-

tracked from that to some extent, an awful lot of people simply cannot afford even the 7% increase that you implemented this year. CPP increased this year by something like 3%; the old age security by 0.3%. That is a lot of money to these people. You and I and everybody else in the room who makes good money can sit here and think, "What's the problem? What's an extra \$100 per month?" To these people, \$100 per month meant everything. I would like to know why you just take the other step and reduce it even further, to the point where it will be no more than whatever the cost-of-living increase has been this past year.

I find it very—how shall I put it? You keep talking about the \$100 million that you're putting in, but you and I know that over \$50 million of that money comes right from the seniors, comes right from the residents. That's not government money. That's money that the seniors, the residents themselves, are paying as a result of the \$3.02-per-day increase that you're implementing. If not, then I'd like to be corrected on that. But it's my understanding that the \$3.02 that in fact the individuals are being charged—I understand that of our population of 60,000 people who live in the homes etc, it will affect 50,000 people, at \$3.02 a day times 365 days—amounts to something over \$50 million. So when you keep talking about investing \$100 million into the system, \$50 million of that, if not more, comes from the seniors who live in those places in the first place. Let's be honest about it. Let's not make it sound as if the government is doing these wonderful things for people when in fact the people are paying for half of that themselves.

I'll just leave it at that. I don't know whether my time is up or maybe Ms Papatello has a—

**The Chair:** Two minutes.

**Mr Gerretsen:** It's a major concern with the seniors out there. Surely to goodness, Minister, you will agree with me that we owe seniors, who have contributed so much to the lifestyle that we enjoy in this province today, better than that, the kind of fear and anxiety that you and your decision caused them and have continued to cause them.

**1020**

**The Chair:** There's approximately one minute left.

**Mrs McLeod:** If we have a couple of minutes left, I'd like to put a couple of issues on the table.

Minister, I know that from my community at least, and I suspect from a great many communities, you've been hearing the concern from agencies that are providing respite services in the community that there have been no increases in their base budgets for at least 10 years. You have been asked to look at the financial hardships, at the decreasing ability of these agencies to provide respite care to individuals who need those services, and yet there has been a negative response to any requests for increases to base budgets.

Given my awareness of that, I was really quite struck, again, by another figure in the estimates, and that is the underspending last year in community support services—which you'll find on page 71—where, if I'm doing the



subtraction correctly, you underspent by about \$50 million.

I have no understanding of, I cannot grasp, how you could be saying no repeatedly to agencies providing community support services when you claim that you're trying to move care from institutional-based care to the community, and yet you underfunded by \$50 million last year.

**The Chair:** We'll now turn to the third party.

**Ms Shelley Martel (Nickel Belt):** Minister, thank you for being here today. I'm sure there's nowhere else you'd rather be for seven and a half hours. I should just tell you there's nowhere else I'd rather be either on this, my 15th anniversary in politics. So we will—

*Applause.*

**Ms Martel:** Thanks. That's right. So here we go.

I'm not going to make a number of comments. I would like to get to questions. But I want to deal with what is probably the most important issue at this point in time in our community, and that is what is happening with our regional hospital.

The chair of the operational review steering committee was in the media about 10 days ago announcing that for all intents and purposes both the capital and operating review were done and he expected to table that with the ministry in about two weeks. So I wonder if you can tell me if that report by Mr Aubé has actually been tabled with your ministry now.

**Hon Mr Clement:** Gail Ure, who is the executive director of health care programs.

**Ms Gail Ure:** In terms of the hospital operating review in Sudbury, the report has not been tabled yet. The last meeting was held August 27. We're awaiting the final report.

**Ms Martel:** When that report is tabled, can you tell me the process that the ministry will undergo both for (A) review and (B) for more public disclosure to the community of the contents?

**Ms Ure:** Absolutely. First of all, we had members on the committee. So in addition to the independent chair, Mr J.P. Aubé, we had members of our staff, both from the northern office as well as the corporate office, on the committee. Recommendations will be made by the consultants. It's a consultants' report. Once the final report is available to us, there'll be a review within the ministry and then it will be presented to the minister, and the minister will make a decision with respect to distribution and other issues.

**Ms Martel:** Both in terms of recommendations and disclosure?

**Ms Ure:** That's correct.

**Ms Martel:** I appreciate that information. Maybe I can make a couple of comments just about the review.

I have a lot of respect for Mr Aubé. When I was chair of the northern Ontario heritage fund, he was one of my board members, so I know him very well. However, I really can't accept the proposition that the community will have to fundraise even more for this project.

I understood what you said, Minister, about hospital restructuring, but I really think that the Health Services Restructuring Commission grossly underestimated both the capital expenditure required for this amalgamation and the equipment expenditure. Frankly, that was the case not only in Sudbury but in a number of other northern communities: Thunder Bay, the Soo and North Bay, just to name a few.

The community has already raised a significant portion of the money that was required for what we thought was the original capital cost. We are raising money right now for this hospital, for the expansion of the cancer treatment centre and for the new long-term-care beds that the Sisters of St Joseph will operate. The target is \$17 million, and we are well on our way. The proposition that we will have to fund even more I think is just really unacceptable for me, as a community member, and for the community at large.

I would say to you, Minister, in all frankness and honesty, that I really think the ministry ought to consider once again a difference in the cost-sharing. This is a hospital that operates as a regional hospital but it is people in our community, from their tax base and from their fundraising efforts, who are paying for it, because the sources for that are two. There is no way to charge people who are coming from other communities to use the service, be it cardiac, cancer, neonatal, trauma, and all of those are served for all of northeastern Ontario.

I don't know what the outcome will be. I only know about the public comments, and I say, on behalf of the community, that I really think you need to reconsider how this is cost-shared for the rest of the capital project, both for the end of the first phase and then for the second phase. I would request again a consideration of an 85-15 split, to recognize that indeed this is a regional centre that services not only Sudbury but all of northeastern Ontario.

In the same way, with respect to the operational deficit, which runs between \$28 million and \$30 million, I think a large part of that deficit is due to the fact that we do operate as a regional centre but are funded primarily as a community centre. I could be wrong about the numbers that Mr Aubé will come forward with, but that has certainly been the belief I've held. I would encourage the government, as they look at this review, to take into consideration the fact that we do operate regional programs and, on an operating basis, need to be funded the same.

Let me leave you with those comments, Minister, and remind you that it is an extremely important issue in our community right now. There hasn't been construction going on since November. It's very painful to see two towers, and very little in between to join the two towers, in the community. It becomes difficult to continue to fundraise under that circumstance as well. We need this uncertainty dealt with and we need an additional funding commitment from the ministry.

I want to deal with long-term care, the 15% increase for residents living in long-term-care facilities. Minister, the agenda actually noted that Minister Newman would



be joining us, and I assumed that would be to answer those questions. But he's not here, so I'm wondering if you are answering the questions then with respect to long-term-care facilities.

**Hon Mr Clement:** I'm not sure what agenda you're referring to.

**Ms Martel:** The agenda the committee received, the list of people who would be participating today, has both.

**The Chair:** Attendees supplied by the ministry.

**Hon Mr Clement:** I don't know why the ministry did that, because that was never the plan, so the ministry is wrong. There's one budget and one Minister of Health and Long-Term Care. I'm happy to answer any question you have.

**Ms Martel:** All right. I want to ask a number of questions around the 15% fee increase. The question I want to start with is how the government arrived at a figure of 15% as an increase for accommodation for residents. What went into the thinking to arrive at a fee increase that, frankly, is far above what people would be receiving from CPP, old age security etc, and far above what the guideline would be if this were the rental housing market?

**Hon Mr Clement:** We always are comparing and contrasting with other jurisdictions in Canada. Certainly from our understanding, the copayment aspect is of course based on ability to pay and on income levels going into the system, and an assessment of those income levels is done on a regular basis. There was a comparison done of Ontario with other provinces and territories, and the conclusion that was drawn was that we were in the low end of expectations when it came to copayments. Once fully implemented, this copayment, which again is income-based, would put us around the middle of expectations by provinces and territories.

That sounds quite technical and so on. The second, more important, driver was our conclusion that the amount of nursing care available in the long-term-care sector should be increased. The conclusion was that as a Ministry of Health our budget, which for historical reasons was split between nursing care and accommodation, should be reallocated less to zero on accommodation and more to nursing care. That's what our role and responsibility is: to provide for the nursing care associated with long-term-care facilities. So a combination of those two policies, I would say, would be the discussion that we had with government officials and with the caucus and so forth.

1030

**Ms Martel:** What analysis was done to determine the impact on residents? I mentioned to you that this hardly reflects what they would normally see as an increase on an annual basis, and it doesn't reflect what you would allow as a government in the rental housing market, for example. What work did the ministry do to determine what was the financial impact that people were going to face?

**Hon Mr Clement:** I'm not sure—are you referring to the initial policy or the subsequent policy at this point? We were on to the subsequent policy.

**Ms Martel:** I appreciate that the 15% payment has now dragged on over three years, but it is a 15% increase, at the end of the day, over a three-year period. That's not going to change, unless you're going to change your mind over the next two years. So we continue to look at a 15% increase that over a three-year period is much higher than anyone can expect to achieve in terms of their pensions, much higher than the rental housing market and, I would think, a significant burden for thousands of seniors in these facilities.

**Hon Mr Clement:** I will defer to Mary Kardos Burton to attend at the microphone, but in the meantime, as she is making her way there, I can tell you that certainly the phased-in approach that we have embarked upon is still based on ability to pay, still based on income availability in order to meet those increased requirements. So it's based on our calculations and the individual's calculations on what income is available for accommodation, which is something we think is important for the individual to have some responsibility for, to be responsible for, if the income is there. Consequently, it allows us to reinvest in nursing care, which we do believe there is a societal responsibility for. But if I can defer to my assistant deputy.

**Ms Mary Kardos Burton:** Good morning. I'm Mary Kardos Burton, acting assistant deputy minister, health care programs. I think you were specifically asking about the kind of work that was put into reviewing the options. As the minister said, we looked at a variety of things. First of all, in terms of the copayment, we did look at other provinces and we also looked at the amount of nursing and personal care money that was required. You will know that particularly the Long Term Care Association had a massive campaign underway and their request was for some \$750 million over a three-year period. So that factored into at least considering where the money needed to go when we were looking at the money for long-term-care facilities.

In looking at the copayment, there was work done and, like anything else, there are always options put forward. But the factors taken into consideration in putting forward the options would be the numbers of people who are on OAS, GIS, a person's ability to pay. There was never an intention that anyone who couldn't afford it would have to pay. In fact, the intention was that people would always get a subsidy in terms of those who could not afford to pay. Those were the main things that were taken into consideration in developing a policy to put forward, but the primary intention was more money into nursing and personal care.

**Ms Martel:** How many residents are affected across the, what, 63,000 in long-term-care facilities?

**Ms Kardos Burton:** There are about 61,000 residents in long-term-care facilities currently. I don't have the exact percentage in terms of the lower number, but it is not that high.

**Ms Martel:** Fifty per cent? Thirty per cent?

**Ms Kardos Burton:** I don't want to speculate at this point.

**Hon Mr Clement:** Can we undertake to get that? There is a number. I know there's a number, but I don't have it off the top of my head, so we'll get that number.

**Ms Martel:** OK. There may be a number here. I would like to know how many residents have been affected, obviously.

**Ms Kardos Burton:** Yes.

**Ms Martel:** I'd like to know, then, what is the revenue that is being generated over the next three years with the fee increase?

**Hon Mr Clement:** Can I just say one thing? You're embarking into an area that is not part of the budget of the Ministry of Health and Long-Term Care. There is no budget item for copayment. This is an item for the individual operators. We have a budget of our own expenditures, but we don't have a budget that has every copayment that is part of the broader health system, so we're getting to the point where we can't answer some questions because it's not part of the budget.

**Ms Martel:** Correct me if I'm wrong. When this copayment—

**The Chair:** Just as a technical point, in estimates we allow some latitude, both in your remarks, Minister, that referred beyond the scope of the immediate expenditures—and we're dealing with a general vote item. I'll encourage you to exercise whatever your best discretion is, but from a technical point, we're allowed to have some latitude.

**Hon Mr Clement:** Forgive me. Again, I'm not trying to cut off the discussion, because it's an important discussion to have, but to know the individual economics of a for-profit or not-for-profit long-term-care facility, you're starting to get beyond the scope of what the ministry would necessarily know.

We can talk about the standards that we set; we can talk about the payments they receive from the Ministry of Health and Long-Term Care. All of that is fair ball. We will endeavour to answer any questions outside of that scope, but I wanted to signal that you're starting to get outside of the scope of what the ministry and its budget entail.

**Ms Martel:** I guess I don't understand that, Minister. I have asked you for the number of people who were affected, and we should be able to know that. So it seems to me that it's a fairly simple matter to extrapolate from that how many people are affected this year at \$3.02 daily and next year at \$2 daily and the year after at \$2. I'm not trying to make this complicated. Is that not correct? Is that not how this works?

**Ms Kardos Burton:** There are projections, but they are projections and they're estimates. So obviously in looking at that there had to be some estimates made of what the potential revenue could be. But I'll defer to the minister in terms of whether we proceed further on this.

**Ms Martel:** I guess I don't understand why that can't be shared. What am I missing?

**Hon Mr Clement:** We'll give you our best understanding, but I would caution that individual operators may make individual decisions; that is to say, they may be more generous than what is expected and may make individual decisions based on individual cases. So I just want to give you that warning. But we don't, in that sense, operate that part of the system. That's not part of my budget.

**Ms Martel:** But just so I'm clear, you're trying to say that even though the allowable in some cases is \$8 per day—and I know that Pioneer Manor at home, for example, is going to charge \$6. Is that why you're telling me you can't make a decision? I always assumed—and someone is going to correct me if I'm wrong here—that when my mother pays for my grandmother for her semi-private room, that cheque goes to Pioneer Manor, and that money goes where from there? The cheque is deposited by Pioneer Manor or it goes to the ministry?

**Ms Kardos Burton:** The money goes to the accommodation budget for Pioneer Manor in that particular case.

**Ms Martel:** Is there no accounting that they have to share with the ministry?

**Hon Mr Clement:** There's accounting, but can I put it this way: the head of Pioneer Manor may decide that although he or she is entitled to exact a copayment of a set amount, he or she may decide to waive the copayment. All I'm telling you is, the operator of Pioneer Manor may make that decision, and that's a perfectly legitimate decision for that individual to make and that is certainly within the scope of their decision-making. That's the only point I'm trying to make.

**Ms Martel:** But would that not still have to be accounted for with your ministry, reported and accounted for with the Ministry of Health?

**Hon Mr Clement:** That they waive a copayment?

**Ms Martel:** What has come in in terms of accommodation from residents in that facility.

**Ms Kardos Burton:** Yes, we do know the information.

**Hon Mr Clement:** But if you're asking me what's going to happen in the future—I'm sorry, I'm not trying to be semantical, Chair, but if you're asking me what's going to happen in the future, the most accurate answer is, I won't have all of that knowledge because some individual operators may decide to waive things which they are perfectly entitled to waive in terms of payments and costs. That's the only point I'm trying to make. We will know about that after the fact, but it's not a part of my budget to know that before the fact.

**Ms Martel:** But you will endeavour to table the projections for us over the next three years, what revenue on the accommodation side would be generated by a \$3.02 increase this year, \$2 and \$2 over the next two and the number of residents you believe are affected.

**Hon Mr Clement:** Sure.

**Ms Kardos Burton:** Yes, and there are assumptions that go with those as well.



**Ms Martel:** Let me go to the press release that was issued on the 31st. This is with respect to the increase itself. The ministry press release says that \$1.02 of the increase for long-term-care facilities will be allocated to long-term-care facilities for accommodation. But if I look on the letter that was received by administrators of long-term-care facilities in the other accommodation envelope, it shows an increase in per diem beginning August 1, 2002, of 87 cents. So there's a 15-cent-per-day-per-resident piece that's missing there and I'm just wondering where the 15 cents is going.

1040

**Ms Kardos Burton:** The 87 cents is the amount that the operators would in fact collect. The \$3.02 is \$1.02, which reflects the increase in the retirement benefits—that's the OAS-GIS amount—and then there was an additional \$2 amount that goes toward accommodation. The 87 cents is the amount that's projected that the operators will in fact collect.

**Ms Martel:** So it is not a reflection of what the ministry is transferring.

**Ms Kardos Burton:** No, it's not the same thing. It's just the projections in terms of what—

**Ms Martel:** I apologize. I'm still not understanding where the balance of the 15 cents has gone, then.

**Ms Kardos Burton:** The balance of the 15 cents is the subsidy; it's the 87 cents that the actual operator will collect.

**Ms Martel:** But the release says that \$1.02 of that increase will be allocated to long-term-care facilities.

**Hon Mr Clement:** Sorry, which release are you referring to?

**Ms Martel:** I'm looking at the ministry press release that came out on July 31st, back page, under the section that says, "Co-payment increase."

**Ms Kardos Burton:** The \$1.02 has been the historical amount that we've paid in chronic care and in long-term-care facilities, and that's the \$1.02 that is the OAS-GIS amount that's related to the pension benefit amount.

I'm sorry, I should probably look at that press release in terms of what it actually says; I don't have that. We could also potentially come back with the detail on this one for you.

**Ms Martel:** OK. Can I ask you a few more questions then about that?

**Ms Kardos Burton:** Yes.

**Ms Martel:** The next section talks about a \$2 increase as well that will go into accommodation. I don't understand what that means in terms of where that money actually goes.

**Ms Kardos Burton:** There are three pots of money in terms of long-term-care facilities. They are nursing and personal care, they are for support, and the third one is for accommodation. There are a variety of things. The second one, sorry, is for support services, which includes recreation, therapies and those kinds of things. For accommodation, it goes into a variety of things listed in accommodation. Those would be for physical space,

things that would make residents more comfortable in accommodation.

**Ms Martel:** Just so I clearly understand, the \$2 that is being allocated, is that money that's also going to be operated from the ministry? Is that what they're keeping?

**Ms Kardos Burton:** The \$2 will go toward accommodation to the facility.

**Ms Martel:** I guess I don't understand the graph—I apologize—in the memo that went out to administrators.

**Ms Kardos Burton:** The \$2 is from the residents that will go to accommodation toward the facility.

**Ms Martel:** That they are keeping. The \$2 is coming directly from the residents. The 87 cents that's listed here—

**Ms Kardos Burton:** The 87 cents is really just the historical collection rate that we have got.

**Ms Martel:** OK. On the same letter—

**Ms Kardos Burton:** The difference is that a number of people could afford it, so historically we've only collected 87 cents and the remainder is subsidized. Does that make sense?

**Ms Martel:** I think so.

If I go back to the July 31 letter—this is a letter sent to the administrators of the facilities—there's a change that I was curious about, and that is that the ministry stated they were changing the funding policy for incontinence supplies, and effective August 1 that would be reported and funded under the nursing and personal care envelope, that \$1.20 per resident per day. Why are you making that change?

**Ms Kardos Burton:** There were actually two changes made. One was medical director fees and one was the incontinence supplies. The facilities had asked of us that they be allowed some flexibility—in order to get more money into nursing and personal care, they asked us, "What can we look at in terms of what goes into nursing and personal care?" It's really that incontinence supplies are now in nursing and personal care, and so are the medical director fees. When you look at how it had been distributed before, both of those functions, you could say, do actually contribute to the nursing and personal care of residents.

**Hon Mr Clement:** It's a definitional issue. We wanted to work with the industry to apply the most accurate definition of what nursing and personal care was. On its face, it's pretty reasonable to assume that those issues are more in the nursing and personal care category rather than the accommodation category.

**Ms Martel:** What is the value associated with that change? If that was previously reported under accommodation, does the ministry have an idea of what that total cost would be across the industry?

**Hon Mr Clement:** What the shift is from one column to the other column?

**Ms Martel:** Yes.

**Ms Kardos Burton:** We can certainly provide that to you.

**Ms Martel:** All right. The reason I ask that question—it may be very insignificant; it may be fairly



important—is that if I read it correctly, that will draw down on the nursing and personal care envelope, won't it? You will be making a payment for supplies that, across the industry, might otherwise be used to hire personnel. Is that correct?

**Hon Mr Clement:** Well, the payment was being made in any event, so I guess the answer would be no.

**Ms Martel:** But it was being made under accommodation budget, if I understand this correctly, and now you're saying to facilities that it has to be reported and paid out of their nursing and personal care budget.

**Ms Kardos Burton:** We're allowing them to do that, yes.

**Ms Martel:** So my question is, this draws down, then, on the nursing and personal care budget, in the sense that this is money that might otherwise have gone to hire staff. Am I correct?

**Ms Kardos Burton:** Certainly in terms of staffing, the medical directors and the increases to that contribute to the nursing and personal care of individuals. Significant amounts of staffing have still been put into the nursing and personal care budget as it is. We will get you—

**Hon Mr Clement:** The most accurate answer to what you're saying is yes and no, in the sense that there is more money being provided for nursing and personal care regardless of how you characterize that particular money. Secondly, before and after we were paying for that; it was in the accommodation budget rather than the nursing and personal care budget, but in essence the public was paying for that. I think that's the most accurate way to answer that question.

**Ms Martel:** But the public pays for it a second way. If I read the letter correctly, it also says there will be no corresponding decrease in funding for the "other accommodation" envelope as a result. So you are telling facilities to shift that cost to nursing and personal care for the reasons you've outlined. I consider that that will draw down on their ability to do something else. At the same time, they still will be receiving funding under the accommodation envelope for the same amount as previously. Am I correct in that? I would have thought that if you were shifting, the facilities would have seen a corresponding decrease in the "other accommodation" envelope for the exact same value that you're now applying to the nursing and personal care.

**Ms Kardos Burton:** Are you saying that because the amount of money is no longer in the accommodation envelope—I want to make sure I understand this—and facilities are taking that out of nursing and personal care, that we have less money devoted to staffing? Is that what you're saying?

**Ms Martel:** On the first case. Now my second—because the letter says two things, that there's going to be a shift of this to nursing and personal care, but it also says that despite the shift, there will be no corresponding decrease in funding for the "other accommodation" envelope. I read that to mean that what the facility got previously to assist in some of these costs they will still get in their "other accommodation." That's correct?

**Ms Kardos Burton:** Yes.

**Ms Martel:** OK. What I'm concerned about, then, is this. Why would there not be a corresponding decrease in the "other accommodation" to reflect that change?

**1050**

**Ms Kardos Burton:** There will be increased accommodation for facility operators, because they in fact are charging the residents in terms of getting an increased amount of money from the residents. So there's no decrease in the accommodation funding.

**Ms Martel:** Yes, and they're also continuing to receive money from the ministry? I assume you would have covered some of the costs of supplies previously. Yes? No?

**The Chair:** Just under two minutes, Ms Martel.

**Ms Kardos Burton:** The cost of incontinence was in the accommodation budget, probably.

**Ms Martel:** And what was the ministry's contribution to that? Anything?

**Ms Kardos Burton:** The ministry's contribution was there. The amount we give in terms of accommodation, whatever it was, we can certainly get.

**Ms Martel:** OK. Maybe you don't have the letter and you need to see the letter again.

**Ms Kardos Burton:** That's true, I don't.

**Ms Martel:** Well, why don't I share that with you too?

**Hon Mr Clement:** I want to assure you that as a result of these changes, there is more money going to nursing and personal care. More hirings will take place. The industry has told us that there are 2,400 hirings that they expect to take place.

The take-home message you should have in your head—not that I would ever dictate what that is—should be that there is more money going into personal and nursing care and it means more hirings and more service.

**Ms Martel:** I have some questions about the numbers in terms of the 2,400. I gather that was arrived at with the long-term care industry; that was a figure they estimated could be arrived at with an infusion of \$100 million?

**Ms Kardos Burton:** Yes. That's 3.9 people per 100 residents.

**Ms Martel:** Can you tell me what the current staffing is in facilities?

**The Chair:** Ms Martel, at this point, for this portion of the estimates your time is used up. Thank you, Ms Kardos Burton.

We now turn to the minister, who has 30 minutes to respond to the comments of the opposition party and the third party.

**Hon Mr Clement:** Thank you for the opportunity, Chair. I again thank members of the panel as we commence our detailed review of our budget.

I wanted to talk a little bit about some of the specific issues, but the overarching issue in terms of our priorities should be top of mind. Once again, we have seven key priorities in the Ministry of Health and Long-Term Care area. They are: first, universality and accessibility; second, the support of the public funding and sustain-

ability of the health system; third, the accountability and satisfaction we get from patients and consumers of health services; fourth, an increased number of health professionals; fifth, improved access to diagnosis and treatment; sixth, reduced waiting lists; and seventh, health protection and prevention and promotion.

As I said earlier, these were topics that were raised by the public themselves through our health care consultation. I had an opportunity to connect these seven priorities in my recent activities in Alberta at the health ministers' meeting. I would like to talk a little bit about that, again to have it on the record before coming to the specific issues that were raised.

First, with respect to the health ministers' conference, I can report to you that it was quite productive. There's a lot of collaboration among the federal, provincial and territorial colleagues. In terms of Ontario's priority for performance accountability, we cemented new initiatives on drug approvals, health status reporting and patient safety. I'm pleased to report that we made progress in establishing a single, common drug review that will streamline drug assessment and drug plan listing processes across the country.

Our own record on drug coverage has been very strong. The benefit plan of the ODB covers the cost of over 3,200 prescription drugs, with over 1,360 new drugs added to the formulary since 1995. We've had a 100% increase in the annual funding for drug programs since 1995-96, from \$1 billion to \$2 billion, and we're increasing the accountability.

You should know, and I'm sure opposition members as well as government members will be pleased to know, that we'll be issuing on September 30 or thereabouts our first report on indicators of health status, health outcomes and quality health care services that will be across all the Canadian jurisdictions. This is a national initiative. We'll be reporting on waiting times for cardiac surgery, access to routine health services and incidence rates for diseases. So that's coming out around September 30 across every single province and territory.

We also talked about patient safety. This is a topic that will become increasingly central to the delivery of quality health programs and accountability. We've got medical errors in our system, just like every system has. They probably occur every week, if not every day, with greater or lesser consequences, depending upon how bad the error was. It's a critical issue for providers, for administrators, and of course for the patients themselves, for family members and other members of the public.

As health ministers, we're committed to further work in this area. We've got two new innovative partnerships right here in Ontario to enhance the safety of patients. One is a partnership with the Ontario Hospital Association to develop a program to enhance patient safety in hospitals and the other is a partnership with the Institute for Safe Medication Practices to create something called the Safe Medication Support Service. These, together, will help us empower our thousands of skilled health care

professionals, to give them the tools and the supports that they need to enhance the quality of care.

We also talked about the future in the wake of Romanow coming out in the next couple of months, probably around mid-November. Obviously, we've got to ensure that whatever we do also promotes healthy living. I delivered a report on strategies to work on healthy living, emphasizing nutrition, physical activity, healthy weights. We are all aware that the incidence of obesity amongst our children is off the Richter scale, that we are failing as a society to generate healthy activity amongst all of our children's population. Some are doing very well but others are not doing well at all. It's a concern for all of us, quite frankly, as parents as well as public policy advocates and administrators.

So we're looking at ways to enter this strategy on a pan-Canadian front, working with the federal government. We want to reduce the risk factors associated with diabetes, cancer and cardiovascular-respiratory diseases and, of course, the burdens they place on individual families as well as on our health care system. So you'll be hearing more about that front.

Let me talk a little bit about Romanow and other reports, like the Kirby committee report, as well. There was general consensus that there is innovation already occurring in the health care system. Federal Health Minister Anne McLellan was quick to concede and to celebrate the innovation that is currently going on in the health care system. She saw that as a positive trend. She also indicated that she wished to work with the provincial and territorial health ministers together, both before and after the official delivery of the Romanow report, on of course implementing as much as we possibly can in terms of the recommendations.

There was an understanding by her, when pressed, that innovation costs money; that we can all talk about innovation, but sometimes one has to make an investment in innovation in order to achieve the better outcomes that we want out of our health care system. She conceded the point that, factually, right now the federal government finances 14 cents out of every dollar spent in publicly funded health care and that that number, of course, is a topic of conversation amongst her caucus and cabinet colleagues. So we'll be working together on that.

Let me just talk a little bit about some of the issues that were raised. Certainly I want to put on the table here our absolute, steadfast commitment to primary care reform. It is a reform that will be, shall be, multi-disciplinary. It will be a system that is focused on increased access by patients to primary care providers, including physicians but not only physicians.

#### 1100

From my perspective, the issue right now, as was posed by one of the members, is, what's new about the system now? There's lots new about the system now. Even if it is not as interdisciplinary as we would like at the present, it is already adding hours of service and availability, once you're a part of the family health network. It rewards practitioners to incorporate wellness



and preventive care and multidisciplinary practices to their practices. Therefore, I think that is actually quite revolutionary. It is far and away different from fee for service and some of the distorted incentives that are found within the fee-for-service model. If you ask me what has changed, my answer is that a lot has changed already.

There is no question that the supply of physicians and nurses is a national and probably a worldwide challenge in most advanced jurisdictions, and indeed we are learning about the challenges in LDCs as well. But in advanced countries, advanced economically in terms of having a GDP per capita close to what we have in Ontario and Canada, it is a challenge.

I'm absolutely convinced that the northern medical school and the southwest and south-central initiatives and campuses will be part of that solution. Were it possible to wave the magic wand and to have these facilities up and running tomorrow, we would all be in favour of that. It is taking some time but I believe it is time well spent to create the programs that will be sustainable and be successful. I have absolutely no doubt that for the north and south-central and southwest these programs will mean greater retention and recruitment opportunities for physicians.

In terms of our nursing priorities, the funding is there. There has been a commitment by this government over the last four years for \$375 million per year of funding of nursing positions, which has funded up to 12,000 new positions in the nursing profession.

The good news is that I am told applications to the nursing schools in our province have increased steadily. In one year, I believe it was last year, it increased by 20%, which indicates an interest in the nursing profession, a conclusion by prospective applicants that there is a future in Ontario to be a nurse and to practise here in Ontario. Yes, there are some nurses who choose greener pastures, as they define it. There are many nurses who after having made that choice actually make another choice and return to the profession in Ontario. We are finding examples of that as well.

I was concerned by some of the terminology that was used in the discussion about increased accessibility to MRIs and CT scans. I want to put on the record that individuals who require medically necessary services will not be paying for the use of any MRI or CT scanner in the province of Ontario. You will use your health card, not your Amex card, for those services. Indeed, none of the standards or obligations or payment structures that currently are in place in Ontario will change with any initiatives that we have planned. So what is available now will be available later. What is not available now, because it is not a medically necessary service as determined by a physician, will not be available later as part of our OHIP plan. But just as now there are individuals who pay for those services, they will be paid as well under any changes we make. That is a long way of saying there is no change in the fee structure or our

expectations of what is accessible, and universally so, in our health insurance plan.

A member asked about multi-year funding for hospitals. I can assure you that we are initiating discussions with the hospital sector. That was announced as part of the throne speech and part of the budget planning process. Of course, we are in-year already in our budget for 2002-03, but it is on line and on track for next year, and that was always the intention in the plan. It does take some time to move into a multi-year funding model, and the hospitals are prepared to work with us in that regard.

I want to jump to a concern that Mrs McLeod had in terms of the northern health travel grant. We have determined the most accurate answer to your question. The northern health travel grant allocation is found in two different parts of the budget. One part is found on page 71 of your notes, as I understand it, in the integrated health services budget; there is a \$6-million allocation there. There is a \$5-million increase attributable to the OHIP allocation found on page 86 that makes up the difference.

**Mrs McLeod:** Is that a shift in funding, may I ask you? Have you shifted what was expended under the integrated health budget line on page 71 last year? Have you shifted a portion of that into the OHIP budget this year to therefore explain why it's back to—

**Hon Mr Clement:** I'll check on that exact question of why that is. My understanding is that this was a requirement in how we account for our money that was required by the Management Board Secretariat. The money is there but found in two different accounts.

**Mrs McLeod:** I'm actually looking to see where the increase over last year is, reflected in this year's estimates, so if you can get back to me with that.

**Hon Mr Clement:** Sure.

**Mrs McLeod:** Because if \$5 million was in OHIP last year, it doesn't help to answer my question.

**Hon Mr Clement:** No. I would say that if there was \$11 million last year, there is \$11 million this year, but it is found in two separate accounts. That is my understanding. I'll double-check on that. There is no diminution of money available for the northern health travel grant process.

We talked a little bit about nurse practitioners and IMGs in our discussions already this morning. I can tell you that we have made progress to date, as I indicated to you. I believe the Premier and I and indeed all members of our caucus, if I can be so bold as to speak for them, want to see even more progress. We've made a start on it. But it is not acceptable to have skilled, capable, competent individuals in our society who, for reasons that are not sustainable, are not part of our health care system if they so choose to be part of it. I think we all have constituents who fit into that category. It is not acceptable. If the question is, can we work with the certification bodies to bring the certification process into the 21st century, the answer is, absolutely yes, it is happening. I will have more to report on that later on in the parliamentary session.



In terms of nurse practitioners, I want to reiterate the funding commitment of this government to double the funding of nurse practitioners in the province of Ontario. That's a budget commitment. It will happen. Details will be forthcoming. Details will be soon forthcoming. I'm sure we will all be gratified when the details will be available.

**Mrs McLeod:** The sooner the better.

**Hon Mr Clement:** I'm looking forward to that day too, believe me.

I'm sure the LTC issues were canvassed already, so I will leave it up to further questions, if there are any on that.

One final issue that was raised by Ms Martel, just on Sudbury Regional: I want her to know that I'm aware, even though I have not seen the final report, of the circumstances surrounding the operational review. I'm aware that there is some anxiety in the community, as always occurs when there is an operational review, although the operational review announcement was greeted, I believe, with a certain amount of relief and hopefulness in the community that we could finally get to the end of a very difficult time for Sudbury Regional Hospital. I, no more than her, am happy to see standstill in the capital improvements on that hospital. But we felt and the hospital felt it would be not prudent to proceed until we had a game plan via the operational review.

**1110**

It has been a very difficult and complicated process. I have lots of issues on my plate. This is one of the more complicated ones. Her understanding of that—and she does understand it, just by virtue of the questions that she asked. I think, Ms Martel, if I can address you directly, I appreciate how the individual MPPs in the area have been understanding and wanted to play a positive role in getting to a solution. So I will take your comments today under advisement. They are serious comments that were seriously provided and certainly I would be among the top of the list of people that would like to see a successful resolution to this issue as quickly as possible.

How much time do I have, Chair?

**The Chair:** We're looking at approximately nine minutes.

**Hon Mr Clement:** Let me talk a little bit about the way that we can proceed with our health care partners in place. As I mentioned earlier, there was considerable amount of discussion at the health ministers' meeting about the appropriate role of the federal government as our partner in this regard. I think it's safe to say and I can report to you that the health minister for Canada understood that with the Romanow report there would have to be a further investment by the federal government when it comes to delivering uniformly, across the board, quality health services. There was also an understanding that Ontario certainly is the leader in the delivery of services across a number of different indices. We had a little bit of a chat already this morning about home care and community care. There is no doubt in my mind that we are in the upper echelon of the type of funding that

we offer and the extensiveness of that funding, for example.

There was also an understanding that we are the leaders in primary care reform in the sense that we are a jurisdiction that has the full agreement of the medical association and the family physicians' association to move forward on primary care reform, that it is proceeding as individual medical practices are signing up for the family health network. Although I concede the point that it is not as quick as we'd all like around this table, the fact of the matter is that we had no road map of another province from which to draw experience. We're actually the road map. People are looking to us because we are ahead of everyone else when it comes to having expanded primary care available through these types of networks. So there is momentum; there is progress.

Dr Wilson reported yesterday—she is the head of the Ontario Family Health Network's organization—over 700 consultations with individual family physicians who are interested in crunching the numbers and going to the next step of formal negotiations to sign the contract and to move ahead. That, I think, is good news for the system, that we are getting the interest from family physicians, who are the ones on the front lines, along with other medical professionals who are anxious to participate as soon as possible with this new type of family care.

I didn't have an opportunity in my opening remarks to go through something that is also a signal success, in my estimation, which is Telehealth Ontario. At this time last year, Telehealth was not a province-wide advice line that was available. Now it's province-wide. I can report to you that we average around 3,800 calls a day on Telehealth, but sometimes on holidays and weekends it reaches as high as 5,000 calls a day, which is way higher than our expectations of the use of the line. So it's a good success story which not only deals with tending to triaging, giving advice on whether a person should call the doctor immediately or after X number of hours or go immediately to the ER wing, but it's also a great tool for wellness and prevention strategies because the kinds of questions that are raised in Telehealth might lead to advice on diet as well as other strategies to keep well and so therefore is part of our front line on that and has been, I believe, a great success.

The initial statistics I've seen indicate that there is also some evidence that it diverts a certain percentage of the callers away from the emergency room. We are starting to get evidence of that indication as well, which is certainly one of the key purposes of having the Telehealth line available, that if there is a way to get quality medical advice without going to the ER, to leave the ER available for more acute cases, then that's certainly the type of change in the system that we would like to see.

Chair, I think I'll leave it at that and only say that it's very clear that the provision of quality, accessible health care has been a priority for us as a government over the past year but also throughout the seven budgets that we have had the responsibility to provide to the people of

Ontario. An \$8-billion increase in health care spending is an indication of that. I'd go on the record to say that if money were the only thing preventing us from having the best health care that we can imagine, we would have had it solved by now. As I think all around this table would concede perhaps in quieter moments, money can help, money is part of the solution, but it's not the only solution. We need accountability in the system, we need to be innovative in how we deliver this kind of health care, and that is part of our role and responsibility as well: to provide the best possible care that is going to be sustainable in the future.

My final comment, would be that certainly, as we look to the future, we know that coming down the track is a huge demographic shift in our society. As baby boomers are within 10 years or 15 years of retirement, that is a huge shift from the workforce to retirement age. We have to start planning now. We cannot wait for that day to transpire without a plan in place for the provision of quality and accessible health care delivery as those demands will inevitably increase. That is what we're doing now, that is part of the innovations that we have started, and I believe they will stand the society in good stead in the future.

**The Chair:** Thank you, Minister. That leaves about three and a half minutes that the government caucus would like to make use of. I think that's appropriate. Mr O'Toole and then Mr Mazzilli.

**Mr John O'Toole (Durham):** Thank you, Minister, for elaborating on the vision of health care. I very quickly would just say that the terms you used are most impressive. In fact, I respect that you are that type that will follow through on innovation and accountability, and it can be exemplified in a couple of things you've said. Specifically, the drug approval process is something—I know we've been trying to get, certainly in our caucus, a more simplified process for drug approvals and I'm pleased that, with your leadership, it's now available to all Canadians. The whole idea of a report card is the accountability mechanism that you've been really a champion of, and patient safety. I'm very happy to say, as your parliamentary assistant, it's been a privilege to work and be given some challenge in terms of the primary care initiatives that you've taken, the Telehealth and the smart systems for health.

Because we have a very informed and interested caucus, perhaps other members would have some comments. I just thank you for your leadership.

1120

**Mr Frank Mazzilli (London-Fanshawe):** Minister, I just want to go over the long-term-care issue and the increases. I think there are figures floated all over the place. The \$8 that was originally supposed to be one year—we heard from an assistant minister that it was 61,000 people, so simple math would be about \$50 million that was spread over three years. What have the taxpayers put in—\$100 million in one year?

**Hon Mr Clement:** In one year. Actually, the number would be \$200 million on all LTC programs, but for the

purposes of the type of question you're asking, it would be an additional \$100 million, that's right.

**Mr Mazzilli:** And the industry is looking for some \$700 million or \$750 million over three years, but obviously, with the copayments, that commitment has been made for three years now. Therefore, any future copayments have been spoken for over a period of three years.

**Hon Mr Clement:** Yes, that's our plan for the three-year period; you're quite correct.

**Mr Mazzilli:** I just wanted Mr Gerretsen to know that.

**Mr O'Toole:** Mr Chair, one final comment: I just want to put on the record that in respect to your work on this issue, I want to quote the Toronto Star article, which I think is not often complimentary. It says, "The Ontario health care budget—which has reached a staggering \$25 billion annually—is by far the richest in Canada, offering the widest range of services to the most people." That's the August 31 edition of the Toronto Star. So I think you should take some solace—

**Hon Mr Clement:** I've got that framed on my wall, actually.

**Mr O'Toole:** It's in my householder.

**The Chair:** We now turn to the official opposition party.

**Mrs Papatello:** I have many questions I'd like to put to the minister.

**The Chair:** Just for the benefit of everyone, these are 20-minute rounds to each of the parties, though they need not be adversarial. It is basically a question-and-answer session moderated by the people themselves, and I'll intervene as appropriate. But again, the point here is to get at the public interest around the estimates. Mrs Papatello, I'll ask you now to commence your 20 minutes.

**Mrs Papatello:** Minister, I'd like to know if the OHIP department of your ministry can give me the total amount spent in OHIP costs out of country.

**Hon Mr Clement:** Just so I understand the question as we're getting the expert on that, that is for Ontario residents who bill OHIP for out-of-country medical procedures in the year? Is that the question?

**Mrs Papatello:** Yes. While that person is making their way to the table for those out-of-country costs, I'd like to know if there's also a breakdown available of what those out-of-country costs are for. For example, I'd like to know the total CT scan cost for patients from the Kenora-Rainy River area to be sent to Manitoba. I'd like to know the total cost of all angioplasty done at Beaumont Hospital in Detroit. I would like that kind of specificity in the data provided.

**The Chair:** I'm advised by the clerk for the purposes I guess of Hansard and so forth that we need staff coming forward to sit in one of the witness seats. So perhaps we could make an arrangement for a seat there that people who come up could use. And of course, to do what you've already been doing, which is to introduce yourselves.



**Hon Mr Clement:** This is known affectionately as the lions' den. This is David McCutcheon, who is the assistant deputy minister for health services.

**Dr David McCutcheon:** What I'll have to do—and thank you for the question—is come back to you with the specifics and the detail of that. I will get that during the break and come back to you with the specifics.

Are there other questions you would like to ask regarding—

**Mrs Papatello:** Yes. Is there someone in your office, then, who does a regular review of where out-of-country expenses are coming from in terms of invoices for your department to pay?

**Dr McCutcheon:** Yes.

**Mrs Papatello:** Do they review and see that you suddenly have a number of them coming for cancer care, so that at some point you were sending many to Buffalo, for example, and then you would start to review that and then something would happen within your department to flag or red-flag some department within the ministry? Likewise, did somebody flag the cost to OHIP for out-of-country when you were paying the Manitoba bills for CT scans from the Kenora area?

**Dr McCutcheon:** Yes, we continue to review these on an ongoing basis and do a review. We would look at new technologies, for example, that are available maybe initially south of the border and then would look at the medical necessity of those being provided in Canada.

**Mrs Papatello:** Would your department have made the minister aware of the \$750,000 spent in Manitoba in the last year for CT scans?

**Dr McCutcheon:** We would report these various items, but the specifics I need to get for you.

**Mrs Papatello:** Could the minister then explain why we haven't had an announcement for the CT scan to be purchased by Lake of the Woods hospital in Kenora yet, even though they have fundraised in the community for it? You're spending much more than the costs in Kenora to have the services provided locally, saving enormous cost to the individuals themselves for travel etc. As you know, the Ministry of Health budget does not cover all of the expenses for people who have to travel to Manitoba. What could possibly take as long to understand that you'd save money out of that page in the estimates book if we had a CT scan right there at that Lake of the Woods hospital?

**Hon Mr Clement:** I can tell you a couple of things. First of all, I can report that certainly individual meetings have taken place with ministry officials related to that very issue. I believe that the last meetings took place on July 30 and 31 of this year. I will say this generically, if I may just for a second indicate to you, that any proposal for the addition of medical services has to be accompanied by a business plan, a business case, if I can put it that way, indicating not only that the capital cost is looked after but that there is a means by which the deliverer, in this case a hospital, has the capacity in its budget to handle the operating costs in a sustainable manner as part of its overall budget.

**Mrs Papatello:** Can you just explain that further? I'm assuming that if you announce that they could go ahead and purchase with their capital money the actual CT, you would then be funding the operating costs that would go to that hospital budget for that purpose. Is that not what would happen?

**Hon Mr Clement:** That is true, but we have to have confidence that the taxpayer dollars will be allocated for that purpose in a way that meets our expectations.

**Mrs Papatello:** Do you not have an audit process in your ministry that you know where each hospital spends the money that you give it for whatever express purpose?

**Hon Mr Clement:** Yes, we do.

**Mrs Papatello:** So is there some history with this hospital that you don't have confidence in their spending that CT operating money on CT scans?

**Hon Mr Clement:** The history, as you may be aware, is that we had some concerns about their ability to keep their budget balanced and to deliver. Obviously that is part of our expectation. In this case that is why the discussions took a bit of a more complicated turn.

**Mrs Papatello:** Minister, if you used a hospital running a deficit as an excuse not to announce a program, you wouldn't be able to do anything with 70% of the hospitals in Ontario today. That answer is just completely unacceptable. I would urge the minister to review that. The people in that area have waited for some time, and for a fairly small-populated region they have fundraised a tremendous amount of money for this piece of equipment. I think it behooves the minister to make that approval and make it quickly, especially in light of the fact that the OHIP department is spending more taxpayers' money to send people to Manitoba for the same service. I would urge the minister to review that.

**Hon Mr Clement:** Can I then say in response, because I'm assuming there was a question in there somewhere, that I do want to put on the record that you were asking me about the historical concerns that the ministry had about this particular proposal. That is what I answered. I can update you and indicate that the hospital has agreed to a revised proposal based on a sustainable operating plan, and we are in the midst of, in an expedited manner, reviewing that.

**Mrs Papatello:** Do you have a timetable for that, Minister?

**Hon Mr Clement:** They're doing their final preparations so I have to wait for them to actually submit the proposal. Once that happens, certainly we will move as quickly as possible.

**Mrs Papatello:** Some time last year, Minister, in fact you had visits with several cardiologists in the Windsor area, and for various purposes, I may add. In one of these visits you had a significant discussion about bringing an angioplasty program to the Windsor area. I think you enjoyed visiting these people in their homes—

**Hon Mr Clement:** I was so successful in the latter initiative that you're referencing.



1130

**Mrs Papatello:** Nonetheless, I think it gives you more opportunity to focus on these important services of government, specifically having angioplasty available in the Windsor area.

I provided the minister with some information about the cost, again, of sending our patients to Detroit for these surgeries. Most of these, of course—or, I should say, all—are done on an emergency basis because the patients can't get to London, nor is there the room in London, so these patients are being whisked through the tunnel, halting traffic, I must say, with our congested border crossings, stopping all traffic to get the ambulance through the tunnel and to the hospital for emergency surgery in Michigan. The cost associated with this cardiac surgery in Michigan is tremendous—much more than if the program in fact were offered in Windsor, where the lion's share of the ability to provide the service already exists, but for a couple of pieces of the pie, to offer angioplasty.

It's not uncommon that this would be offered in a community hospital. Minister, again last year, for a variety of reasons, you made an announcement in the Scarborough area to offer these cardiac services in Scarborough in a community hospital. Could you explain why you haven't made that announcement for Windsor, even though the Cardiac Care Network of Ontario has recommended that you do so?

**Hon Mr Clement:** There are a bunch of facts that have to be clarified as a result of your statement. First, the Cardiac Care Network is in agreement with me that a pilot project to review stand-alone angioplasty services is recommended. That pilot project is taking place in Scarborough. I met with the Cardiac Care Network two weeks ago. They have indicated that the progress on assessing the safety of the stand-alone angioplasty clinic is progressing quite well.

But to say that it is not uncommon in the system to have a stand-alone angioplasty—it's very uncommon in the system to have a stand-alone angioplasty service, for health and safety reasons. We have one in Scarborough to assess the health implications and health risks of having stand-alone angioplasty. When that report is available to me—that is to say, when I'm convinced that the health issues of a stand-alone angioplasty service are manageable—I have indicated that there is nothing stopping the Windsor area from making an approach at that time. It is not the case, as some have argued, that because I as minister approved a stand-alone angioplasty pilot project in Scarborough, there will never be a stand-alone angioplasty service in Windsor; it is inaccurate and incorrect.

That is the proper characterization of the status of things.

**Mrs Papatello:** Minister, I don't believe that Cardiac Care Network report suggested to you that you not run that pilot project in Windsor. In fact, I think the contrary is true. I think they suggested that Windsor would be a good site, and that you had conversations with the

cardiologists there, suggesting that it was a good site. I also understand, through various discussions with your staff, that it was well on its way to being announced. We just fail to understand why you haven't announced it.

**Hon Mr Clement:** You're flat-out wrong.

**Mrs Papatello:** Your executive assistant confirmed for me as well that it was still on track, and my greatest concern—

**Hon Mr Clement:** It is on track. We have to make sure we're not killing people in the process.

**Mrs Papatello:** Minister, the problem we have is timing. You're very selective about where you're choosing to make these announcements.

Let me just confirm with these two examples that it's the ministry's responsibility to permit new services like this in regions. So I would say that the ministry has to give approval for new programs to be available in different regions, like the angioplasty service in Windsor. You go through various machinations to determine that a service can exist, that you'll fund the program etc. The ministry gives permission.

I'd like to know why the minister doesn't give permission to remove services from communities.

**Hon Mr Clement:** "Doesn't give permission to remove services from communities."

**Mrs Papatello:** So, for example, the London Health Sciences Centre made a list of some 60 services in this past year that it would be eliminating from their docket of what they would offer through London Health Sciences Centre. Recently, in this last month, Toronto General decided that they would no longer offer the hyperbaric chamber for the next 15 months.

These kinds of decisions made by local boards to remove services from their community: why did they not need your approval, considering you give approval that they should exist in the first place?

**Hon Mr Clement:** I would characterize it in a slightly different way. I think in both cases the role of the ministry and the minister as accountable would be to ensure that health and safety is protected. So in order to approve a new program, one has to look at the health and safety implications of that. In order for a program to not be made available, the Ministry of Health and Long-Term Care in fact does have a role to ensure that the health and safety of Ontarians is not compromised. So in my mind, there's no dissonance of point of view on that.

**Mrs Papatello:** So, Minister, are you then suggesting by that statement that you have agreed with all of the service cuts through hospital board decisions that have been made in Ontario?

**Hon Mr Clement:** I'm not sure I understand the implications of your question. Because certainly, you've made reference to the Toronto situation with the hyperbolic chamber, as I understand it—hyper—

**Mrs Papatello:** Hyperbaric.

**Hon Mr Clement:** It might be hyperbolic as well, but that's a different issue. Hyperbaric chamber—certainly, this ministry is in the process of assessing the implications. So to suggest that a decision has been made

is not exactly accurate. Perhaps I can leave it to Dr McCutcheon.

**The Chair:** The hyperbolic chamber is at the bottom of the Legislature.

**Hon Mr Clement:** That's right. I don't know why my mind just automatically careened to that, Chair. Thank you for understanding my psyche.

**Mrs Pupatello:** Just on that, Minister, can I assume by your statement then that the decision by the Toronto Hospital to remove those services of the hyperbaric chamber for the next 15 months is under review and not a final decision, as far as your ministry is concerned?

**Hon Mr Clement:** Is it Allison Stuart who has the most information on that? Allison Stuart, come on down. She is the director of hospital programs in the health care programs division. I'm getting better at the titles now.

You can give us a status report on the hyperbaric chamber.

**Ms Allison Stuart:** The hyperbaric chamber is being put on hold for a period of time because of the reconstruction that's going on at UHN. It's not a decision based on an operational perspective. It's because of the capital redevelopment at UHN and the relocation that will be required as the hyperbaric chamber moves and also as emergency departments have moved. So that's the reason for this initiative in the first place.

There have been arrangements made for the patients who are using the hyperbaric chamber for emergency purposes. Hamilton has agreed to follow up on those. Although there was communication earlier with some of the major users, meaning fire, police etc, there is a continuing dialogue going on there, because most recently there have been some concerns raised by these first responders. So those discussions are underway now.

**Mrs Pupatello:** Those concerns that were raised to you just recently then, did they include the fact that other centres were not going to be able to accommodate the needs that were provided by the Toronto site?

**Ms Stuart:** The concerns expressed by first responders is really around the emergency procedures that go on in a hyperbaric chamber, and those emergency procedures will be taken care of through an agreement with the hyperbaric chamber in Hamilton.

**Mrs Pupatello:** I might say to the minister that in the health department at large, it doesn't have the luxury that DaimlerChrysler has, for example, to shut down the line for two weeks and change the line to begin to produce a new car. The problem with health restructuring worldwide is that you have to continue to provide the services while you make the changes. I don't believe that construction or restructuring is an excuse to shut the service down for 15 months, in this case, of the hyperbaric chamber. Something has to be brought to bear in that decision.

I'm going to assume from the comments then that, because you're responsible, Minister, for the health and safety of Ontario residents, that decision is not final and that in fact it may be halted. The information we have is

that the professionals are suggesting to the ministry that they will not be able to get services elsewhere.

**Hon Mr Clement:** Certainly, if you are apprised of information of which we are unaware, I'd encourage you to bring it forward, and certainly we'll take a look at it.

1140

**Mrs Pupatello:** I'd like to review the drug programs on page 90. I have a question regarding drug programs. Page 90 itemizes the amount and expense of drug coverage.

**The Chair:** Two minutes, Mrs Pupatello.

**Mrs Pupatello:** The pharmacists of Ontario have provided annually a number of recommendations.

**Hon Mr Clement:** Sorry, who did?

**Mrs Pupatello:** The pharmacists of Ontario have provided annually a number of ways to reduce costs of drugs, for example, the use of the trial size prescription and various efficiencies in the system. The minister himself has suggested that there have been annual increases that can be controlled. We are seeing that there is going to be an additional increase that's suggested to be because of increased use. One of those you suggested was Visudyne.

I'd like to know what amount has been set aside for the coverage of Visudyne as the new drug, and I'd like to know what changes in that amount are due to the fact that you have limited the coverage of Visudyne to those who have lost 50% of their vision. For example, if you've lost 25% of your vision, you haven't lost enough vision to get Visudyne covered. It just seems like an incredible policy to me, because it's a degenerative disease of the eye and you know that eventually they're going to get to 50%. I can't imagine that this minister would have set that kind of regulation in the coverage of Visudyne.

You had a great fanfare to announce coverage. Then we found you wouldn't backdate it for patients who had need of it and had spent their life savings on it, and when you instituted it, you allowed it only for people who have already been half-blinded.

**Hon Mr Clement:** I'm sure Dave McCutcheon, assistant deputy minister, health services division, might give you some details. But I would say generally that we do rely on clinical advice, on medical advice in the application of these new medications and procedures; that is to say, these decisions are not made in the abstract. That is how they are made; they are made based on clinical advice. With that, if I can leave it to the assistant deputy minister.

**Mrs McLeod:** On a point of information, Mr Chair: Perhaps the minister's deputy can provide the information, but if not, I would like to be made aware of the specific medical advice that suggests that before Visudyne should be covered there needs to be a specific loss of vision incurred.

**The Chair:** We are out of time for the intervention. Is there agreement that that information is forthcoming?

**Hon Mr Clement:** We'll take it under advisement at this point.

**The Chair:** OK. I now turn to the third party.



**Ms Martel:** I would like to turn to the nursing—

**Mrs Papatello:** On a point of order, Mr Chair: I'm sorry to interrupt. Does taking it under advisement mean that information will be tabled?

**The Chair:** Yes. Under the process on this committee, we work on an agreement basis. If the ministry agrees to provide it, they provide it. If they don't, the researcher contacts the ministry and it's subsequently provided.

Now I will commence the time for Ms Martel.

**Ms Martel:** Thanks, Mr Chair. I would like to turn to the nursing announcement for the long-term-care facilities. I want to begin by asking, what is the Ministry of Health budget now for the nursing and personal care envelope for long-term-care facilities?

**Hon Mr Clement:** I did have that information right in front of me until a couple of minutes ago. The new per diem, as of August 1, is \$59.62.

**Ms Martel:** You've got \$1.7 billion in terms of the estimates for all of long-term-care facilities. Can you give me the breakdown of the \$1.7 billion? What's the global breakdown?

**Hon Mr Clement:** So you want it on the macro numbers rather than per diem numbers?

**Ms Martel:** Yes. Just give me the nursing and personal care envelope. That would be great.

**Hon Mr Clement:** That's easy to do.

**Ms Martel:** You don't have it?

**Hon Mr Clement:** I think Mary Kardos Burton is going to come up.

**Ms Martel:** OK. So they don't have it right now.

I would like to know, does that include the \$100 million that has already been announced? I'm not sure when that was supposed to flow. I know it was announced July 31. I see there has been a change in the increase in per diem for September 1. I'm not sure how long it will take for all of that money to flow.

**Hon Mr Clement:** Yes. That changes the estimates, so we'll have a revised number.

**Ms Martel:** Then what I'd like to know, because I'm quite concerned about this issue—that is, you've made an announcement about 2,400 new RNs and personal care workers with this money. I'd like the numbers for the current staffing in long-term-care facilities before that exercise starts. So currently, before people start hiring, can the ministry table the current number of RNs in long-term-care facilities and the current number of personal care workers now in long-term-care facilities? I'm assuming most of that nursing and personal care envelope is essentially a staffing envelope. Would that be correct? I mean, the majority of that budget would be that?

**Hon Mr Clement:** I hope so.

**Ms Martel:** I'm getting to why I'm going to ask that question.

**Hon Mr Clement:** Do you have those? Can you get those, Mary?

**Ms Kardos Burton:** No, we'll provide you—we don't collect those numbers on a regular basis, but we will certainly approach the associations to see what we can

get. It's just the nursing numbers that you're asking about?

**Ms Martel:** And the personal care workers.

**Ms Kardos Burton:** The personal support staff, OK.

**Ms Martel:** I'm curious as to why you wouldn't have those numbers. I would have thought that facilities would have had to—

**Ms Kardos Burton:** Facilities would have them. It's just a matter of our collection of them.

**Hon Mr Clement:** And updating, because it constantly changes.

**Ms Kardos Burton:** Yes.

**Ms Martel:** But they have an obligation to table that, and you have an obligation to track that?

**Ms Kardos Burton:** Yes.

**Ms Martel:** How does the public become aware of those numbers? You're going to give that to us because I asked this question, but is there a mechanism that, as this money unfolds, we're going to be able to track new staff coming into facilities?

**Hon Mr Clement:** Yes, and in fact that's the case. Minister Newman and I have made it quite clear to the sector that we are watching very closely in terms of their hiring practices as a result of the infusion of new money and that we expect to have fairly comprehensive reports on the progress.

**Ms Martel:** Are you providing them with some guidelines around the hiring? I ask this question for this reason: about 1996, your colleague Mr Wilson was in a similar exercise and made announcements about new numbers of nurses in long-term-care facilities. What happened in our community was that a good portion of the money that was allocated to at least two of the facilities actually went to pay increases in WSIB premiums and in disability benefits versus actual new hires of staff. So I would like to know what conditions you are placing on this funding to ensure that in fact it's going to be used exactly to hire new staff, either nurses or personal care workers.

**Ms Kardos Burton:** First of all, the long-term-care sector, as you probably know, has fairly intrusive reporting into the ministry; there are a lot of reports and forms that are required. Through our regional offices, we will be working with the long-term-care facilities in terms of how they're hiring and who they're hiring. We'll have a reporting mechanism.

I guess the one comment I would make is on the availability of staff. Certainly our goal will be to ensure that those staff are in fact hired. But it wouldn't be fair if I didn't say, regarding the availability of personal support workers, we know we have to train personal support workers—and we also know that nursing in terms of the attractiveness of the jobs elsewhere. So we will do what we can from a human-resource-strategy point of view, but there's no question that we will get that information, and those are the conditions.

We'll have to ensure that the facilities are doing everything possible and also that we are working with and will continue to work with both long-term-care



associations. We've already been approached on human resource strategies. We've got a commitment to work with them, look at systems and look at mechanisms that are in place for that.

**Ms Martel:** I would encourage you, if there is not a policy in place, to actually have a policy that says that money from that envelope cannot be used for those purposes. In 1996, the facilities were not doing anything wrong; they were allowed to do that, and that was the problem.

**Hon Mr Clement:** If I can jump in just for a second and indicate to you that we, meaning Minister Newman and myself, are quite aware of the history and are quite motivated to ensure that the monies that are invested on behalf of society are being put to a desirable use.

**Ms Martel:** And can I be clear—

**Hon Mr Clement:** We're not getting any pushback from the industry, by the way. They acknowledge that and recognize that. I wouldn't want to leave that on the table as if this were adversarial. We've had a lot of co-operation from the industry.

**Ms Martel:** The 2,400 estimate, is that over a three-year period, a one-year period? What was your timeline around the 2,400 new nurses and personal care workers that were part of the announcement?

**Ms Kardos Burton:** I believe that was over a three-year period.

*Interjection.*

**Ms Kardos Burton:** Yes, I know it's the estimates. It was from the long-term-care association.

**Ms Martel:** But, to be clear, it's over a three-year period, not in—

**Ms Kardos Burton:** I can verify that for you.

**Ms Martel:** All right. That will be very useful. Just following from that, because there are going to be some changes, and changes in staffing, you've already said that there is an intrusive reporting mechanism. I assume some of that is supported by inspection staff or compliance staff as well. With this increased funding—which I am assuming is on an annual basis, the \$100 million?

1150

**Ms Kardos Burton:** Yes.

**Ms Martel:** Are you planning to hire, then, more compliance or inspection staff?

**Ms Kardos Burton:** We currently have around 40 compliance staff. You know, and we're pleased to report, that for two years running we do have 100% compliance. So we're very pleased about that. We hadn't looked at an increase in staff, but what we do have in place is a compliance management review program. While we're very proud of our record in terms of 100% compliance, we also need to look at making sure that the way in which we're doing it is the most appropriate way. So we're working with our audit people in terms of looking at risk management: are there red flags that should be in place? We are looking at our compliance program. We have not got to the point of additional staffing or types of staffing. Certainly there's no reduction planned.

**Ms Martel:** I raise that in the context of ensuring that it's actual, real, live bodies who are hired, and if you require inspection and compliance staff to make sure that happens, then you will have to obviously shift the estimates again, because there's no change in the estimates on that line item.

**Hon Mr Clement:** Just to be absolutely clear, could I also mention—I don't know if you mentioned it, Mary—that the 2,400 also includes in that number some that would shift from part-time to full-time? I want to make it absolutely crystal clear that that is included in the number. That is an enhancement on availability of nursing and personal care.

**Ms Martel:** In line with that, there were minimum standards that were in place that were done away with—2.25 hours of hands-on care. Is the government going to be implementing, then, a regulation with respect to its expectations with respect to hands-on care?

**Hon Mr Clement:** My understanding is that the terms of reference for the funding itself will have some expectations that will be spelled out quite clearly.

**Ms Martel:** Will it be spelled out in regulation?

**Ms Kardos Burton:** There's no decision made on that at this point.

**Ms Martel:** Then I would very much encourage that. I encourage, in fact, a higher number than the 2.5. Your own study by PricewaterhouseCoopers, in making comparisons of long-term-care situations in other jurisdictions compared to Ontario, had some shocking statistics with respect to Ontario in terms of the lowest levels in that regard. I really think if you're going to make an investment you'd better be absolutely sure that's happening. The only way you're going to get there is to have a very clear regulation that becomes a compliance issue for licensing purposes. So I would very strongly encourage you to do that, and do it higher than the 2.2 that was in place before it was cancelled.

**Hon Mr Clement:** With respect, I know you wouldn't mean it any other way, but the report to which you refer now is dated because of the funding announcements that we have made. I just want to put that on the record.

**Ms Martel:** I guess it remains to be seen because it's really hard to track. If you have no minimum standard it is very hard for the public or anyone else to track what the actual hours are—right?—that are being provided.

**Hon Mr Clement:** I suppose my point was that it was based on funding levels which have been improved since that time.

**Ms Martel:** It can be improved still with a regulation.

Let me ask one other thing, because wage parity is a huge issue for RNs in this sector. Are you taking that into account in any way, shape or form with this announcement? I mean, you're losing nurses out of long-term-care facilities to move into the hospital sector because of the wage gap.

**Ms Kardos Burton:** That's correct.

**Ms Martel:** Does the announcement address that in any way? Is a portion of that money at all set aside to

achieve parity, to start to move toward parity, if that helps?

**Ms Kardos Burton:** It's not specifically stated as such, but certainly in terms of attracting individuals, I think facilities will be looking at that. But it's not specifically stated in terms of wage parity.

**Ms Martel:** Is the ministry going to leave that for facilities to decide or are you going to come to some policy that a portion of the money that's been allocated will actually be used for parity across the long-term-care sector for nurses to bring some of those wages up and to retain them in those facilities? Are you considering that?

**Ms Kardos Burton:** This is an area that historically has been very difficult in terms of parity within the systems. We can certainly work with the associations. We're certainly aware of the problems. I mentioned earlier that there are human resource issues as well. But historically governments generally have not said—

**Hon Mr Clement:** Can I say that historically we've left the negotiations of remuneration, salary, those kinds of things, up to the individual sector? For instance, it's the hospital association that has the negotiations with the Ontario Nurses' Association. Similarly, individual facilities and so on are responsible for that. I wanted to put it in that perspective, that historically it's been the case. That hasn't changed. We're aware of the challenges.

**Ms Martel:** The facilities would have argued before, rightly or wrongly, that they didn't have the money to accommodate that. Now there will be an infusion of cash into this nursing and personal care envelope. I'd suggest to you that you make it a strong consideration for them that they do something about that. Otherwise, the people who are trained, we're just going to lose, which will not benefit anyone in terms of continuity of care.

A couple of more questions just with respect to the long-term-care announcement: can you table with the committee how many residents would have been subsidized prior to September 1, to the fee change?

**Ms Kardos Burton:** In looking at the information that you asked earlier, we'll include that as part of it.

**Ms Martel:** I'd like that before and after, and the values from before and the value after as well, in terms of your subsidy for people who can't afford the payment.

**Hon Mr Clement:** Again, with the caveat that individual operators make individual decisions that could be different than the minimum standards that we expect.

**Ms Martel:** What will the impact be of increasing the minimum-income threshold over the next three years? What will the impact be on subsidies, or will there be an impact? I'm going back to the announcement in terms of other things that were listed that you were going to do. Another was—

**Hon Mr Clement:** The impact of the three-year phase-in?

**Ms Martel:** No. One point was increasing the minimum-income threshold for seniors in each of the next three years. Can you give me an idea of what the impact of that will be?

**Ms Kardos Burton:** In terms of numbers, I don't have that with me but we'll do that as well.

**Ms Martel:** OK.

**Hon Mr Clement:** In terms of the numbers of people that are subsidized? Is that the nature of the question?

**Ms Martel:** Yes. I'm assuming it's going to impact on the subsidy system in terms of—I would suspect it might increase subsidies. I could be wrong, but I would suspect that would be an increase in terms of expenses the government is having to cover.

**Ms Kardos Burton:** We will provide you with what we can, but I do want to say that they will be projections and estimates. But we will provide what we can in that area for you.

**Ms Martel:** Can you do it over the three years of the announcement?

**Ms Kardos Burton:** We'll see whether we can and see whether there are assumptions we can use to do that.

**Ms Martel:** OK. Two other announcements were made the same day. One was a review of the comfort allowance. Can I ask where that stands at this point? What's the status? Are there negotiations going on with—

**Ms Kardos Burton:** The commitment was made to review the comfort allowance. In looking at the comfort allowance, you have to do one other thing. The comfort allowance has historically been related to the amount of money that has been given to people who are collecting income assistance as well. We've already met with the Ministry of Community, Family and Children's Services, and anything that we do in terms of reviewing that would be with that ministry. So we are well aware of the commitment and we will be meeting that in terms of looking at the comfort allowance. Then we would take forward our recommendations to government.

**Ms Martel:** I'm assuming you're looking at increasing it. That would be my assumption from the announcement. Do you have a timeline for this?

**Ms Kardos Burton:** We are aware there has not been an increase to the comfort allowance in a significant period of time. Certainly the intention was to do it fairly quickly, and we are on it.

**Hon Mr Clement:** I can assure you that Minister Newman has indicated to me that this is one of the top issues on his radar screen. Certainly he's turning his mind to it.

**Ms Martel:** OK, but you can't be more specific than that in terms of—starting the new fiscal year?

**Ms Kardos Burton:** No, because we will make recommendations. We will certainly do the best we can as quickly as we can, but they are recommendations and certainly we're intending to do it ASAP.

**Ms Martel:** Those recommendations will be to the minister, so I hope, Minister, you'll be able to deal with that as soon as possible.

The final one was an announcement that there had been amendments to Ontario's bathing regulations to better meet individual needs.

**Hon Mr Clement:** Yes.



**Ms Martel:** Can you tell me what the change is?

**Ms Kardos Burton:** The bathing regulations: in fact I don't have the exact wording, but the intent was to ensure that there were appropriate baths provided to individuals.

**Hon Mr Clement:** It's a minimum expectation which can be improved upon, but there are certain minimum expectations that will be embodied in the regulations.

**Ms Martel:** But it has been passed already?

**Hon Mr Clement:** That's my understanding.

**Ms Kardos Burton:** Yes. It actually was for all long-term-care facilities to better meet the individual needs of residents, ensure their daily health and hygiene and ensure that care is delivered consistently. I underline "consistently" to ensure that—

**Hon Mr Clement:** Yes, that has been passed.

**Ms Kardos Burton:** Among the different types of facilities. I can read the exact words, if you wish.

**Ms Martel:** Does it mean three baths a week, four? What does this mean?

**Hon Mr Clement:** It was decided that that would create more problems than it would solve in terms of minimum standards, so we've actually thrown it back to the sector. The wording is, "The nursing staff shall ensure that proper and sufficient care of each resident's body is provided daily to safeguard the resident's health and to maintain personal hygiene." So there's a standard of care embodied in the regulation—this regulation has passed—and they will have to meet that standard of care.

**Ms Martel:** But the responsibility is for the RN to ensure that happens?

**Hon Mr Clement:** The RN is delegated that responsibility, that's right.

**Ms Martel:** Who had the responsibility to ensure that before? Was it the operator?

**Ms Kardos Burton:** Overall, the operator has some insurance, but each individual has an individual care plan. The reason that it's worded the way it is to ensure—some people have a greater need than others. It was a conscious choice to make that wording so that people are in fact taken care of.

**The Chair:** Just under two minutes, Ms Martel.

**Ms Martel:** Mrs McLeod, is this a regulation that replaced a previous regulation? Is that what you have done?

**Mrs McLeod:** I believe so, yes.

**Ms Martel:** Could you table both for us, because—would I be correct in assuming that the previous regulation actually had a standard set? Did it say one bath or two? Is that what it actually said? Now you're replacing that with something that doesn't—

**Ms Kardos Burton:** With something that in fact could be for a day, if that's what the person's needs were.

**Hon Mr Clement:** That's right. I think it's more sweeping, quite frankly.

**Ms Martel:** Jeez, I disagree with you. I think we've just gone completely backwards. I'm very concerned about offloading that responsibility on to an RN in a facility. I think the owner-operator has a responsibility to ensure that there's adequate staffing to make that happen.

**Hon Mr Clement:** Yes, and that's still the case. That has not been retracted from this particular regulation. There is still a regulated overseeing responsibility by the owner-operator to meet the standards of care and to ensure that his or her staff have the resources available to meet the standard of care. Indeed, we had a recent case in the GTA, in Halton region, where we decided the operator was not meeting the standard of care and we acted. So we do have that power. We do have that oversight. We do have that responsibility, in conjunction with the owner-operator.

**Ms Martel:** But the regulation suggests that the onus, and/or if there's a penalty for non-compliance, falls on to an RN, not on to an operator.

**Hon Mr Clement:** That is true. In our health care system, individual providers always have a duty and standard of care which they are required to perform as members of the medical profession.

**Ms Martel:** Minister, the RN doesn't determine the staffing levels in a long-term-care facility. If the operator says, "We're not bringing in someone to replace you tonight," that's not her or his fault.

**Hon Mr Clement:** That is why in other standards, procedures and regulations we have standards of operation for the facilities which are still in place and which we used as recently as three weeks ago to divest someone of their responsibility of maintaining a facility. So we take that very seriously.

**Ms Martel:** If you could table both for us. And the other thing: in terms of ensuring compliance now, is there a change around how you monitor compliance with this new regulation?

**Hon Mr Clement:** I've just been reminded that all operators must comply with a total of 427 standards for long-term-care facilities, so those are in existence right now, if that helps you understand the range and scope—

**Ms Martel:** I understand that, Minister, but if that would have been the case, then we wouldn't have been lobbied, as we have been by the industry over the last year, with one of the key caveats that people can't get much more than one bath a week. Yes, they're supposed to comply, but on the ground, is that happening? Clearly, it hasn't been.

My concern is that you at least had a regulation where there was a standard in place, a numerical standard if you want to put it that way, which now you do not. I think that's going to make it even easier for operators to do less, not more. That's my concern.

**Hon Mr Clement:** I think that—

**The Chair:** Thank you, Ms Martel, and thank you, Minister. We will come back and look forward to the questions from the government party after lunch.

I gather we have an agreement, Minister, to resume approximately at 1 o'clock to allow you the extra time that you need. That's the tradition of the committee: to try to accommodate the minister rather than proceed without you.

I will ask the caucuses to remember that we need Mr Chudleigh, Mr Gerretsen and Ms Martel in committee

room 2 for a subcommittee meeting immediately during the lunch period. We'll see everyone else at precisely 1 o'clock, when we'd like to reconvene.

*The committee recessed from 1204 to 1304.*

**The Chair:** With the arrival of the government caucus, we'll now continue with the government caucus. We appreciate you've been taking that time in preparation. We will allow you now your 20 minutes with the minister.

**Mr O'Toole:** We'll be sharing our time as Mr Chudleigh prepares his comments and questions.

In fact, the questions from the opposition and the third party are very instructive as well. I think it's my duty to represent a broader interest but also, in a specific way, my own riding of Durham. It fits in very nicely with the discussion just before lunch. I have had a fair amount of questions on the long-term-care issue. One of the issues to address the lack of physicians in the area is the role of the nurse practitioner. It's very important in the delivery of primary care and, more importantly, in the long-term-care units. We're finding some doctors are reluctant to take that task on. It's a requirement under the regulations, as I understand it.

I am concerned too, and maybe you could respond to this: I know in the budget and other commitments you've made personally that the role of the nurse practitioner in the delivery of primary care services in Ontario is expected to expand. I'm wondering if you could perhaps just illuminate a little bit your plans in that direction. Will it affect long-term care and the doctor shortage issue?

**Hon Mr Clement:** Thank you for the opportunity. Thank you again, Chair, for allowing us the chance to be accountable for some of these issues. I might state for the record that Mr O'Toole, quite apart from being an excellent representative of his community, as parliamentary assistant in the Ministry of Health and Long-Term Care is looking specifically at some of our information technology issues and how best to integrate, via IT investment, better-quality health services. He's doing a lot of work in that area and I would consider him a bit of a resident expert at this particular stage.

You are quite right in the sense that the role of the nursing profession in general and certainly nurse practitioners specifically is expanding in our system. There have been certain regulatory changes pertaining to scopes of practice which have already occurred and which expand the role and the capacity of nurse practitioners, for instance, in the system.

Interestingly, this is not just an issue about nurse practitioners. If I can take it more broadly, because you mentioned long-term-care facilities, there are some exciting trends in regard to the individual roles of registered practical nurses as well as registered nurses. There are some interesting conclusions that have been drawn by the College of Nurses of Ontario about relative scopes of practice which I think will be useful in the future to meet the needs that are inevitably going to be placed in this particular sector as our society ages.

The short way of responding to your question is to say that, absolutely, there are changes in scopes of practice. There are changes in funding to the better that will enable us to expand the role of nurses and nurse practitioners in the system. Again, let me signal that more good news will be occurring as we roll out the budget commitments of this government.

**Mr O'Toole:** Good. Mr Chudleigh has a question.

**Mr Ted Chudleigh (Halton):** I have a question for you on the West Nile virus. We've had one identified case in Burlington, just south of my riding of Halton, and two suspected cases, I believe. I understand we've done a lot of work over the past year on protecting people from West Nile virus. I'm sure that over the course of the last two years we've learned some things about controlling the virus and controlling the things that spread the virus, mosquito larvae in particular. I wonder if you could tell both us and the people of Halton what is going to be happening next year as we have one more year's experience with this virus. Hopefully we'll be able to learn things from that and protect the people of Halton and, indeed, the people of Ontario more adequately.

**Hon Mr Clement:** Thank you for the opportunity. If I can just make one correction, I think we have five suspected cases to date in total.

**Mr Chudleigh:** There's three in Halton.

**Hon Mr Clement:** Three in Halton. I think we've got a couple in Peel.

**Dr Karim Kurji:** Five in Peel.

**Hon Mr Clement:** Five in Peel.

**Dr Kurji:** One in Toronto.

**Hon Mr Clement:** One in Toronto.

**Dr Kurji:** Three probable in Halton and one confirmed.

**Hon Mr Clement:** One confirmed and three probable. So I think we're upwards around eight.

**Dr Kurji:** Nine probable and one confirmed.

1310

**Hon Mr Clement:** Nine. This is the state of it as of today. As a result of the one confirmed case, it is clear that in some manner the disease has jumped from just birds and mosquitoes as the originators, to human beings. I would like to say that unfortunately that was to be anticipated because of the expansion of the virus throughout North America. This has been how the disease has been tracked.

I am going to defer to a public health official in one second, but let me state that in this year's budget there is an additional \$9-million allocation for the control and prevention of West Nile virus. We have been involved in larviciding programs; that is to say, finding likely places where mosquitoes breed and destroying those places before the larvae hatch. We have a standby arrangement with respect to pesticide which we have not used to date. I leave it to the public health officials to work with the provincial medical officer of health to make that determination. And of course there are education programs and publicity programs and what have you.



Let me state as a caveat—I stated this yesterday for the media—that if the definition of success as a Minister of Health is the eradication of mosquitoes in Ontario, I'm never going to meet that definition. We live in a province with lots of mosquitoes and that is not going to change. The fact of the matter is, we have a new disease, and although we had hoped that it would not make this kind of progress, it has. We're going to be learning as we go how to manage this disease.

Of course, we all hope that at some point there will be some form of eradication or vaccination or some other method of dealing with it once and for all. But in the meantime, we should take appropriate and common-sensical measures as a population that's used to trying to combat mosquitoes and as a population that really does not want to get bitten any more than we have to. With that, if I can leave this to my official here. You can identify yourself.

**Dr Kurji:** Dr Karim Kurji, public health branch. As the minister has correctly said, this is a relatively new disease in the western hemisphere. It started out in 1937 in the West Nile region of Uganda, where the first cases of West Nile virus originated. It wasn't until 1999 that the western hemisphere saw the introduction of the West Nile virus in New York City. We've now been amassing a fair amount of experience with the virus—

*Interruption.*

**The Chair:** I wonder if I could ask all people in this room to kindly turn off your cellphones and pagers. I will not have another interruption. Thank you.

**Dr Kurji:** We've been amassing a fair amount of experience with the virus recently. Our efforts basically have concentrated on the public education side. The essential thing here is to stop the mosquitoes from biting human beings, and hence much of the effort has concentrated on public education campaigns.

As you know, when the virus affects individuals, most of the individuals are asymptomatic. There's a very small proportion who really develop symptoms and most of those individuals develop symptoms like flu-like illness. They may get headaches, myalgia, fever and suchlike symptoms. A very small proportion, something like one in 150 of those, is going to develop a serious complication such as encephalitis. Encephalitis is really an inflammation of the brain, and hence one tends to get neurological side effects from that. These are the more critical instances.

What we really have to do is put the whole thing in perspective. We have, for example, injuries killing about 1,900 people in Ontario, tobacco killing about 12,000 people in Ontario. So far we've been fortunate in that nobody has died of this particular illness in Ontario, so from an epidemiological standpoint it certainly isn't a disease that warrants a lot of attention. However, it is a new disease, it is an exotic disease, and we're still learning about it.

The ministry has had an annual scientific meeting, which was organized in February this year, prior to the onset of the West Nile virus activity. We invited experts

from the United States to elaborate on their particular larviciding programs and their particular programs with regard to the control of the mosquito populations. We have always insisted that any decisions that are made are science-based decisions, and hence all the medical officers of health were party to discussions with those experts.

Subsequent to that, the ministry has made available a number of protocols to the medical officers of health. We have been working very closely with the Ministry of Environment, and we have been providing materials to them. Essentially, what we have concentrated upon is a surveillance program. The initial surveillance was based on bird surveillance; bird surveillance because they tend to be indicators for when humans might get affected. Then we had to make sure that the mosquitoes were also infected in those particular localities, and so we have been putting into place a number of mechanisms for mosquito surveillance, including collaborating with Brock University and with our federal counterparts.

Following that, there's a mammal surveillance, which includes human surveillance. In a mammal surveillance there's a host surveillance where, should a host die of West Nile virus-type activity, initially the brains are tested for rabies—we know that seems to be more common—and then some testing is done for West Nile virus. Currently, there is some limitation to the testing, but at least that was in effect at the time this started out. Then of course there's the human surveillance with the surveillance of encephalitis cases. I would say that not a day passes when we are not in contact with the individual medical officers of health where there are probable cases, and we bring in to bear a number of experts from Health Canada, those who may have mosquito control expertise, to participate in the decision-making. The ultimate decision-making would be in the hands of the local medical officer of health, but this decision-making is done in consultation with adjoining medical officers of health as well as the public health branch and the various experts I have just mentioned.

So the efforts to date have concentrated on the public education message. If we were thinking at all in terms of going further than that, then I think, as the minister pointed out, funds have been made available to the local health units. This year in March \$2.5 million was made available to the local health units for larviciding activities and on top of that the minister committed another \$9 million in August of this year.

With respect to decision-making as to what one should do subsequently, the jury is still a little out there. There are a number of factors that one has to take into account: the numbers of cases; whether they are vulnerable populations, shall we say; the season; the weather patterns, because mosquitoes can be killed off naturally; the efficacy of the adulticiding, which would now be the area that one would really be looking at. One has to balance all this against the health and environmental effects of any of the methods that are used. The most common health effects would be asthma in the case of some of the

pesticides that would be used. In terms of environmental effects, there would be effects on bees, on other birds. So one has to, in an ideal world, consult with the local community and have a sense for whether the risks outweigh the benefits. So that is the general process that is used in this instance, and we try to look at the scientific experience of our colleagues to the south. This is an evolving area.

**Mr Chudleigh:** Thank you very much.

**Hon Mr Clement:** There will be an examination when this session is over. I hope you got all that down.

*Interjections.*

**The Chair:** I think there's still five minutes. Mr Miller.

**Mr Norm Miller (Parry Sound-Muskoka):** Mr Minister, the first question I'd like to ask has to do with CT scanners. First of all, I'd like to commend the ministry for the large increases in funding for hospitals across the province but also in my riding of Parry Sound-Muskoka. I was very pleased to see that earlier this year.

Certainly from the perspective of my riding, probably the most talked-about item is CT scanners in the health field. Currently there are no CT scanners within the riding of Parry Sound-Muskoka, although I believe that Parry Sound hospital has an approval to get a CT scanner and it will be happening when the new hospital is built, I believe in 2004.

1320

But the two other acute care hospitals, the South Muskoka Memorial Hospital and Algonquin Health Services in Huntsville, are keenly interested in acquiring CT scanners. I think the local health community, the physicians, are increasingly concerned about having CT scanners as basic diagnostic equipment. They also identify it as an issue in terms of retention of emergency room staff. And certainly I'm hearing from lots of people the desire to have CT scanners in the riding.

I guess my question has to do with the balanced budget requirement to be able to apply for a CT scanner. In the case of both Huntsville and Bracebridge the communities are willing to fund the capital costs of the CT scanners, but in both cases I think the hospitals do not currently have balanced budgets, so they don't get to first base in terms of an application for the CT scanners. Is that policy going to be reviewed, the balanced budget requirement for a hospital to be able to apply for a CT scanner?

**Hon Mr Clement:** Thank you for the question. Certainly we have dialogued with the various hospitals on a case-by-case basis and tried to understand the particular needs of the community. That's not only in Lake of the Woods; that's throughout the province. Some initial meetings did take place, as I understand it, earlier in the year. There were certain parts of the criteria met and other parts where further dialogue would be needed.

My understanding is that the two facilities in question, Huntsville District and South Muskoka Memorial, have been encouraged by the branch office to take another try at a submission that would be more of an integrated

submission. The proposal is still a live proposal, as far as I'm concerned, and I would like to be working with the various hospitals in the Muskoka district to see if we can find a solution. Certainly I'm aware of the local public support.

**The Chair:** Two minutes, Mr Miller.

**Mr Miller:** Both hospitals are keen to have CT scanners themselves, in particular for medical purposes. They talked about treating strokes, in fact. When you treat a stroke you need a CT scanner to be able to identify what treatment to give, and it's quite time-sensitive. I think it's within the first half-hour of somebody arriving that you have to be able to establish what treatment to give.

Getting back to the balanced budget criterion, in the case of the South Muskoka Memorial Hospital, they currently had a review done that showed they're an efficient hospital. They also have a kind of special circumstance in that they built a new wing on the hospital last year. I don't think their operational funding was changed to reflect that new wing that was built on to the hospital. They've recently had an assessment done showing they're an efficient hospital. I guess that's why I'm asking what balanced budgets have to do with that CT scanner application.

**Hon Mr Clement:** Yes, I'd be happy to—

**The Chair:** Minister, we've run out of time for this section, but hopefully that can be carried forward to your next round of discussion. Thank you, Mr Miller. We now go to the official opposition.

**Mrs Pupatello:** Minister, I'd like to continue the discussion we had earlier about the hyperbaric chamber affiliated with the Toronto General Hospital. You suggested earlier that if professional information was made available you would be taking that into consideration, potentially. I think your answer was somewhat more hopeful. The staff seemed to suggest that it was a decision that was made that it is going to be closed for 15 months. You suggested that if there was more information, it might be something you would consider.

Dr Brian Egler, who is the director of the Hamilton Health Sciences hyperbaric unit, is quoted directly as saying that Toronto's unit "cannot simply be shut down for such an extended period of time.... We are unlikely to be able to accommodate on any regular basis more elective cases than we are currently dealing with." CritiCall has also commented and suggested that they will have to redirect patients to Hamilton, Ottawa and even Buffalo, New York, as required.

In advancing that information, Minister, if there's a doctor involved with Hamilton, which is what you've suggested is going to be your fallback position from the closure of the Toronto General hyperbaric unit, that apparently is not going to be an option. On an emergency basis, which was brought up by your staff, CritiCall has already stated that they're going to have to be sending people to Buffalo, so that maybe a year from now we'll have to bring your OHIP department back and ask, "How much are you spending in out-of-country for this parti-



cular procedure versus the cost to have had it maintained at Toronto General all along?"

A letter served to you by the Canadian Council on Clinical Hyperbaric Oxygen Therapy and dated August 27 suggested to you that:

"A decision to close Toronto's only hospital-based MOH-mandated chamber ... for up to two years will put many lives at great risk and deaths may result unnecessarily.

"Absurdly, the closing is necessitated by a real estate agreement between the UHN and the MARS project (a medical and science research endeavour). That agreement stipulates that a roadway (which runs through the ... hyperbaric department) for demolition vehicles be available by" a particular date. Drawings apparently do show alternatives are available, as opposed to having the roadway run right through that chamber. If that in fact is the case, Minister, would you please tell the committee today that you might reconsider the decision and in fact step in and potentially halt the decision to close that hyperbaric chamber for 15 months?

**Hon Mr Clement:** I have some comments to make on this, but Allison Stuart wishes to comment. She's been the one most closely associated with the dialogue.

**Ms Stuart:** In terms of the agreement with Hamilton Health Sciences Centre, the Hamilton Health Sciences Centre has agreed to deal with the emergency hyperbaric cases that arise, and those are ones that are likely to happen because of something like getting the bends and so on if somebody has gone underwater. Those arrangements are in place. There are roughly 70 cases of that in a year. That accommodates not only Toronto, but people are flown into Toronto to UHN from across the province for this service. That piece of it, in terms of people being flown into Toronto, whether they fly into Toronto or fly into Hamilton is not considered to be critical in terms of getting this emergency treatment.

In terms of the other cases that may use the hyperbaric chamber, my understanding—and I'm by no means an expert in the area—from a clinical perspective is that the research is quite equivocal in terms of the benefits, and the accommodation of those patients who have been receiving hyperbaric treatment for non-emergency cases will be addressed on a case-by-case basis as to what would be helpful.

The issue around the redevelopment—the good news is that we're looking at UHN completing its process of redeveloping and becoming a premier hospital for not only the Toronto community but really beyond that, for Ontario and beyond that again. Part of that means that there is a lot of accommodation and moving around that has to occur. The issue around—

**Mrs Pupatello:** Can I get you to just expand on one item that you've said? Based on the information you've just given on how they can do without that unit for 15 months, why would you encourage them to reopen it in 15 months?

1330

**Ms Stuart:** There is no plan on the part of UHN to close the unit on a permanent basis. I know that's a concern by some people involved in the field around this, but we've been advised there isn't a plan to do that. There is the expectation that once the reconstruction has taken place and the hyperbaric chamber—which is not even being moved; they're getting a brand new hyperbaric chamber—is in place in around 15 months' time, they'll not only be able to accommodate the emergency cases that have been diverted to Hamilton but will also be able, on an as-needed basis, to accommodate those cases that are not emergency. I know that concern will probably stay with individuals who are interested in this area until there is the ribbon-cutting for the new hyperbaric centre.

**Mrs Pupatello:** Minister, I'd like to—

**Hon Mr Clement:** Are you moving on to another topic, or can I add something in this regard?

**Mrs Pupatello:** Yes.

**Hon Mr Clement:** Certainly there has been a barrage of commentary and letter-writing with respect to the future of this procedure and chamber. I want to assure you that we take every comment seriously and do try to follow up to make sure that—from our perspective, obviously health and safety are our number one consideration.

**Mrs Pupatello:** I need to give you some more information, Minister, regarding the Visudyne coverage. We spoke earlier, before the break, about the fact that the general public wasn't aware that it was only going to be covered for people once they had reached a level of blindness of 50%. I think this would be shocking to people, given the kind of degenerative disease it is. It's as if, if you were treating a cancer, you could only access the treatment once you're cancerous enough. That's just completely against everything the medical professionals would advise. The earlier you get to this kind of treatment the better, for these people. I can't imagine that you would approve of the medical community waiting till they reach 50% blindness before you would cover them with this drug.

Dr Patricia Harvey is an ophthalmologist and retina specialist with the eye institute at Toronto Western Hospital. She has just stated to us that there is no scientific evidence to support the notion that patients must have 50% vision loss before they can be administered Visudyne. She says it is absolutely ridiculous to think that they should have to wait. She says the sooner the treatment, the better; the greatest benefit is in the beginning, and this can reduce the severity by a lot. I would like to have your comments based on that professional advice by someone who works in the field and works with the drug.

**Hon Mr Clement:** I have not talked to her directly, so I would not want to comment on something until I have had that conversation.

**Mrs Pupatello:** I understand that she has tried to speak with you directly about this.

**Hon Mr Clement:** I'll certainly follow up with that, because I was not aware of that. From our perspective, in any drug review we are following clinical guidelines and safe practices. We would not do anything that was considered by clinicians to be unsafe. That's my understanding. Does anybody—

**Ms Stuart:** I'm going to start, and then I will turn it over to Dr McCutcheon.

**The Chair:** For Hansard, would you identify—

**Hon Mr Clement:** Allison Stuart, director of hospital programs.

**Ms Stuart:** In terms of the Visudyne, the clinical guidelines for use of Visudyne were established by clinicians, not by the ministry, and they are consistent with the direction that's been provided by the federal government in terms of approving the drug for specific usages. So it is approved for a specific use and then the guidelines are followed. In the treatment of individuals with this disease, the physician will complete a document that shows they have met the criteria and then the treatment can be started right at that time. Each—

**Mrs McLeod:** I don't want to interrupt, but we have some very specific questions. Rather than the things we know, we'd like to get some information tabled so we understand what we don't know. So if I may—

**The Chair:** Go ahead.

**Mrs McLeod:** I have the bulletin, and I'm confused by the bulletin. As I indicated earlier this morning when my colleague raised this issue, we'd appreciate having the medical advice that you've received tabled. I'd also appreciate having the federal criteria tabled, because I understand there is some question about whether or not all three of the criteria applied in Ontario are in fact federal requirements. My understanding is that although I think seven or eight other provinces fund Visudyne, Ontario is the only one that has said the loss of visual acuity has to be equal to or worse than 20-40—we're the only ones who have that in place—and that that particular criterion is not part of the federal guidelines. If I'm incorrect in that, I'd certainly appreciate knowing that. I'm not pretending that I can make clinical judgments about this, but I'm hearing a lot of confusion on the basis both of clinicians and of what we understand the federal guidelines to be about Ontario's decision.

Lastly, I am also confused about the fact that the second criterion indicates very clearly that treatment has to be commenced within 30 months after initial diagnosis. My mother had wet form macular degeneration, and I know it took some time for her vision loss to actually develop. So one of the questions I have is, where is the consistency between these two things? If the treatment has to be begun within 30 months to be effective, and that's a clinical judgment, and your vision hasn't deteriorated to the 20-40 level within that period of 30 months, now you're disqualified under Ontario's criteria.

So those are a whole set of questions. We didn't want to take the time today to go into the whole history. We've been fairly acquainted with that, but we need some very specific answers.

**Hon Mr Clement:** With the greatest of respect, Mrs McLeod, you pose a lot of questions, and it is unfair to those listening in or watching or reading the reports afterward to pose a lot of questions and not allow the ministry an opportunity to answer those questions.

**Mrs McLeod:** I appreciate that, Minister, but what I'm looking for are the specific answers and information.

**The Chair:** Minister, it's my job to see a fair balance there, and I'm happy to be appealed to in that regard. I think we did have some response from the ministry. There has been a specific request. Because this is the intervening party's time in each case, we let them have some latitude about whether a response is what they would like to hear or whether they'd like to move on to another question.

**Hon Mr Clement:** Well, I would like to state for the record, Chair, that I understand that ruling, but it is difficult for us to allay concerns when concerns are put on the table and we don't have a chance to answer the concerns. That's my only point.

**The Chair:** I will have regard for that.

**Mrs McLeod:** Mr Minister, simply to put on the record that I am not looking for verbal assurances; I'm looking for, in print, the criteria that are the guidelines that Ontario claims are federal guidelines guiding your decision, and I'm looking for, in print, the medical advice on which you founded your decision.

**Hon Mr Clement:** Well, Mrs McLeod, at no time have we had an opportunity to respond to that even verbally today. That's my point.

**Mrs McLeod:** I'm not looking for verbal responses. I had hoped you would table—

**Hon Mr Clement:** I would like the opportunity to at least provide a verbal response, because maybe members on this side want to hear the verbal response.

**The Chair:** Minister, when the members from that side have their time, they'll be able to provide you with that opportunity. Now we'll turn to an answer to the question posed by Mrs McLeod. Sir, could you please introduce yourself again.

**Dr McCutcheon:** Dr McCutcheon, assistant deputy minister, health services.

Just to make a comment on the guidelines, the guidelines were established using the best advice available from the ophthalmologists that were consulted in the process. What we are committed to do is, over time, to continuously review guidelines in light of new evidence that comes forward. Ontario prides itself in terms of the way it develops its guidelines, not only for its drugs but also for other procedures etc, that they use the best available advice and evidence. If the evidence changes and the guidelines need to be adjusted, certainly there is the flexibility to deal with that. But the initiation of the program was based upon guidelines that were provided by ophthalmologists who are retinal specialists, and that's the procedure that we followed.

**The Chair:** Mrs McLeod?

**Mrs Papatello:** Yes, you go ahead.



**Mrs McLeod:** There are so many areas, between the three of us.

**The Chair:** You have approximately six minutes, I believe.

**Mrs McLeod:** On this particular issue, I'll wait for the actual information on those two areas to be tabled.

I do want to ask about mental health, which we didn't have an opportunity to raise this morning. I'll again be very specific and refer to estimates documents.

In June, Minister, you would have received communication from the Canadian Mental Health Association, Ontario division, and the Ontario Federation of Community Mental Health and Addiction Programs, together representing 236 community-based mental health and addiction services, who are extremely concerned about the fact that they have not had increases in their base operating budgets for some 10 years, which appears to be a fairly consistent reality for most community health services, as I'm beginning to understand it.

1340

My concern is that, although they expressed the need to you prior to the budget, their needs were not reflected in the budget. I've looked for some response to the community mental health needs in the estimates, and I see that there is an increase of some \$1.36 million, which, if my calculations are correct, is about 0.3%. It certainly is not the even minimal 2% increase that community mental health was asking for.

I was also alarmed to see that, in an area in which we know there are tremendous unmet needs, you underspent by \$12 million in your actual figures from your estimated expenditures for last year. Again, I find an underexpenditure in community health services absolutely inexplicable and unacceptable.

Minister, my question is, where's the funding for community mental health?

**Hon Mr Clement:** Certainly, Mrs McLeod, we have had a commitment to appropriate funding in this area and to the appropriate innovation in this area to have a true system of community mental health available to the population. We have been in a state of waiting with great anticipation as the mental health implementation task forces complete their review and complete the writing and delivering to us of their findings, a process which has just reached another stage as they deliver their findings to us.

My commitment to this community has been when we have a way to proceed with true community mental health innovation and reform, which we are getting through our mental health implementation task forces, that of course funding and the resources necessary to set on that path will be of great importance to us, as to them. That's the plan.

**Mrs McLeod:** I appreciate it, Minister, and I've been waiting—as you have, apparently—for the implementation team reports to come in. There is not a chance, not a single, solitary chance, that those implementation teams will recommend less community mental health service than is currently provided.

**Hon Mr Clement:** Right. But we have to know how to spend it.

**Mrs McLeod:** I'm sorry, but I don't accept as an explanation for there being no funding for community mental health, in this year's budget or estimates, the fact that you're waiting for the implementation teams' reports. If you're serious about delivering mental health services in the community, why would you not at least provide a 2% increase to the community agencies currently meeting those needs in the communities, which have not had an increase in their base budgets for 10 years?

**Hon Mr Clement:** Mrs McLeod, I think it's important to know that the money we spend on behalf of the people of Ontario is spent wisely and is spent effectively and is spent on the priorities of the sector. That is precisely what the mental health implementation task force reports are all about: a plan of action, a road map that we can take for true community mental health to be successful and efficacious. That will be the way we can ensure that the money is spent in a way that'll help people and help them help themselves. I think that's an answer that I hope we all aspire to as public servants.

**Mrs McLeod:** You're not helping the people in community mental health agencies very much, Minister. But can I ask you just finally, when are you going to not only expect to receive but to release the community mental health implementation reports? They're well overdue now.

**Hon Mr Clement:** We've just started receiving them. It's a very complex and important exercise. We are in the midst of analyzing their findings as the reports come in.

**The Chair:** Ms McLeod, Minister, thank you. We now turn to the third party.

**Ms Martel:** If I just might follow up on that line of questioning, Minister, my understanding is that the deadline for the receipt of the reports has been extended to December. Is that correct?

**Hon Mr Clement:** At this point I'd like to introduce Gail Ure, the executive director for the health care programs division. She can give you an update.

**Ms Ure:** Gail Ure, executive director, health care programs. Initially we talked with the mental health implementation task forces, and interim reports, in many cases, were required. We have received either an interim or a final report from the majority of the task forces. In some cases it was final, because in some cases the task forces, such as in your area, were started many months ago. In other areas it has been taking longer. In the northwest, for example, in Mrs McLeod's area, we have the final report with the exception of costing for that area. So it depended when the particular task force was developed and what the magnitude of their work was. In some cases, such as Toronto-Peel, it involves a large number of agencies, a large jurisdiction and a very complicated set of programs. They're doing the consultation on that as we speak.

**Ms Martel:** I saw their document; it's quite large. It's going to take a while to get the final document in. So my

question is, have you given some deadlines to when the last report is in? As I hear you speak, it sounds like you're saying funding announcements are going to be based on all of the reports being in. So when will that occur?

**Ms Ure:** The final report from the provincial task force, the overriding group, is December. Their last meeting will be in December. Prior to that, we're working with those agencies, those task forces, that have not submitted a plan to ensure that they both do adequate consultation but also get the plan to us. For example, in many of the reports we've got interim reports such that we can make estimations in terms of what the minister was saying in terms of some of the requirements.

**Ms Martel:** Here's my concern. It's not a question; I guess it's a concern that I pass on. I think you will be seeing quite a varied degree of how to move forward, depending on where you live in this part of the province, with some of the task forces coming forward with a recommendation for quite a significant and complete overhaul of the system and others wanting more money at the community level. I think you're going to have great difficulty in finding some mid-ground here.

So I make this suggestion based on what Mrs McLeod has said. I don't think anyone will come forward and say, "We don't support local, community-based agencies like CMHC trying to provide front-line service." Because I don't think any one task force will come forward and say that, I would encourage you, in the meeting you're going to have with them, I understand, Minister, in October, to give them some indication that in fact for those community-based agencies you're going to increase some funding soon. They are having great difficulty retaining and recruiting people to work in their community-based agencies. It is unlikely they are going to be wiped out in any of the reports. I suspect most reports will come forward and say, "Strengthen the community-based sector." Knowing that is probably the case, I would really encourage you to find some money, as you yourself promised, Minister, at one of the conferences you were at, above the 2%, to do something in this sector before they lose even more staff who deal with a very vulnerable population.

**Hon Mr Clement:** Yes, I take your point. I have a couple of things to say. First of all, we were able, at least on the addiction services side, to annualize the 2% through what I thought was a very creative approach by this government in order to do so and using some of the gambling revenues from our wonderful casinos to that effect. The only other point I would make, aside from taking your point, is that this is not going to be a cookie-cutter approach, where what works in one community is necessarily what will work in another. That's why we're taking the reports very seriously. We see them as individual roadmaps. Some aspect of mental health will be integrated, but other aspects will be very particular to the local circumstances and challenges that individuals face.

**Ms Martel:** I would like to make a couple of requests for information, if I might, and then move on to a

different topic. With respect to the 20,000 new long-term-care beds, Minister, you indicated about 6,600 had been built and another 13,400 are currently under development. I wonder if your staff could give me a breakdown of the beds in the for-profit sector and then in the charitable sector and then those that are municipally owned.

**Hon Mr Clement:** Sure, I think I can give you off the top of my head the general numbers for all 20,000, which I understand at one point anyway were 53% in the commercial sector and 47% in the non-profit or municipal sector. That final number might have changed, but that's what it was. Maybe I'll defer to Gail Paech, the assistant deputy minister in charge of this program, to give us the most recent tallies.

**Ms Gail Paech:** Thank you very much, Mr Minister. I'm Gail Paech, assistant deputy minister, long-term-care redevelopment. As you know, with the government's initiative of the 20,000 it was an open, competitive process for organizations to seek an allocation. In the allocation of the 20 beds, as the minister has indicated, the total number of beds for the not-for-profit sector is around 48%, and for the for-profit sector it is at 52%. When we looked at the analysis in terms of those types of organizations that made application to be considered for the allocation of the 20,000 beds, we had approximately 12,000 applications made by the for-profit sector and approximately 9,000 applications made by the not-for-profit and charitable sectors.

1350

When you look, though, at the number of beds that were given in terms of the number of requests that were made by each of the various sectors, there was a higher proportion of allocations made to the not-for-profit and charitable sectors in terms of the applications made than for the for-profit sector.

**Ms Martel:** You might have the answer for this as well, then. I'm going to page 16 of your remarks, Minister. You talked about the commitment that was made in 1998 to add \$1.2 billion to the long-term-care sector, which I thought was over eight years, although this document says six. But that's fine.

**Hon Mr Clement:** We accelerated it at one point during our mandate.

**Ms Martel:** Would you be so kind as to provide to the committee, especially on the CCAC, community-based long-term-care side, the allocations that have been made, beginning in 1998 when that particular money started to flow? I'd be interested in knowing how much of that \$1.2 billion, about \$555 million I guess, targeted for the community-based sector has actually been delivered.

**Hon Mr Clement:** Actually been delivered?

**Ms Martel:** Flowed, allocated.

**Hon Mr Clement:** All right. I don't have that number. We might have to take that one under advisement to give you a complete flow on that.

**Ms Martel:** Did you do a double allocation, then, in one year? Because you said it's been shortened to six. So is that my assumption?



**Hon Mr Clement:** This was before my time but I recall, just by being around here too much, that we did accelerate it at one point. Did we not?

**Ms Paech:** My understanding of your question is, if it's in terms of the acceleration of the long-term-care redevelopment in terms of the 20,000 beds, that was the acceleration.

**Ms Martel:** No, I'm speaking specifically of the CCAC, community-based long-term care.

**Hon Mr Clement:** The community care portion.

**Ms Martel:** Yes. So I'd just like to know, is it still \$555 million essentially? I assume there was an almost equal split between the two sectors—the long-term-care facility sector—

**Hon Mr Clement:** And the community, yes.

**Ms Martel:** —and then if that's still rolling out over an eight-year period, where we are. If you can start from 1998, if that was indeed the first year of the allocation, how much has been allocated in each of the years to date?

**Hon Mr Clement:** OK, I'm sure we can get you that information.

**Ms Martel:** OK, that's great.

Then I'd like to ask you some questions about MRIs and CAT scans. The budget document talked about \$28.3 million being allocated to increase the hours of operations for hospital MRIs by 90%.

**Hon Mr Clement:** Correct.

**Ms Martel:** I'm curious when you expect that to be achieved and how much of the waiting list would then be dealt with by having that change in operation to a 90% level. I don't know what your base is—if you're starting at 60%, 70%. So I'd like to know what the base was as well.

**Hon Mr Clement:** Increasing the number of hours is the short answer, but I'm sure someone can give you a much more detailed answer than that. Allison Stuart can.

**Ms Stuart:** Thank you very much. Allison Stuart, hospitals branch. In terms of the increase of the funding, we knew that the hospitals that were operating their MRIs—although we were funding them as if they were operating them 40 hours a week, we knew that they were operating them longer than that and they were having to absorb some of those costs in their overall budget. So we did increase the funding that we made available. The question of how much of that is going to translate into new procedures is really hard to answer, and I'll explain why. It's hard to answer because we know they're already providing those services, so that if they were, for example, running their MRI at 50 hours a week, then our funding would mean that they would say, "Oh good, we don't have to take money out of obstetrics so as to be able to fund those extra 10 hours." So it's not a direct translation into new services.

**Ms Martel:** How do you arrive at a figure that says that \$28.3 million is going to allow us to increase operation to 90%? My question is, 90% of what? Are you asking people to work 50 hours a week, 40 hours a week?

Where were you starting from, and how do you get to a total of \$28 million to buy you something?

**Hon Mr Clement:** An increase of 90% on the current funding would increase the number of procedures available, some of which were covered by hospital budgets but some of which were not, because hospitals either shut down machines or used them for other purposes—WSIB, for instance, and that kind of thing.

**Ms Martel:** Do you have some kind of standard across the hospitals which have MRIs that says how many hours per week you're expecting them to operate? Is there a standard, and are you paying to that standard?

**Ms Stuart:** Hospitals were all at 40 hours per week and a total of 2,080 hours per year. What has happened now is we'll have three groups of hospitals: hospitals that stay at the 40 hours a week; hospitals that will increase and be functioning at, instead of eight hours a day, 12 hours a day—and I apologize for changing language right then, but right now I can't do my math on the run—and then other hospitals that will be running their MRIs basically at 16 hours a day.

So it really depended on the kind of hospital and the kind of volumes they were experiencing—the level of funding they received and then the number of procedures we attached to that level of funding. If they're getting the basic amount for eight hours a day, then they're being expected to provide around 3,400 scans a year. If it's 12 hours a day, then it's around 4,900 scans a year. If it's the full 16 hours a day, it's 6,500.

What we will do is track that. They report to us on how much they actually do.

**Ms Martel:** In looking at this, can you give me a close estimation of the number of new scans that will now be done with that \$28.3 million?

**Ms Stuart:** We have not done that because, as I was trying to explain before, and I'm not sure that I did a very good job of it, they were already functioning. Our funding was in response to the level of service that these hospitals were currently providing. So there will be some new service, but we don't know how much of that will be new service and how much of it will be allowing the hospitals to focus their funding—

**Ms Martel:** Redirecting their funding back, or to where it was before.

**Ms Stuart:** Right.

**Ms Martel:** I find that a bit problematic because I would have hoped part of the point of the exercise was also to increase the number of scans.

This leads to my next question, which is, how much work was done with any of these hospitals that are not operating at 16 hours right now to see what their capacity is to actually increase their volume so that you don't have to look at establishing new for-profit MRI clinics? What was the level of discussion and what analysis was done to see how much you could increase capacity over what it currently is in the public hospital system to reduce waiting lists for these diagnostic services?

**Hon Mr Clement:** Certainly, we have a very detailed discussion with hospitals every year to consider their

operating plans and their business plans. So that's a very detailed circumstance.

If I can maybe take a run at this: in accordance with what Allison was saying, the thing was that there are some hospitals that have, let's say for the sake of argument, an eight-hour shift, others that have a 16-hour shift, others that have an eight-hour shift for publicly funded, medically necessary services, and then have a shift for other types of services such as WSIB claims or third-party payer claims. So their hours of operation are already beyond what we pay for because they, as much as anyone else, don't like to see the lights shut down and the doors closed if there is a way to utilize the procedures.

1400

I have been informed, by those who help operate the hospitals and those in our ministry who oversee that, that there is potential for increasing the number of scans that are part of the publicly funded, universally accessible, medically necessary part of it, which would edge out some of this other activity that was using up the time.

**Ms Martel:** Minister, you're going to pay for scans in what I would describe as for-profit MRI clinics, and my question is: before you went down that road, what work was done to deal with public hospitals who already—

**Hon Mr Clement:** A lot of work.

**Ms Martel:** OK. What was the result of that? Was there no way to increase the number of scans in some of the hospitals only working eight hours?

**Hon Mr Clement:** Yes. The answer is yes. Of course we're increasing the scans.

**Ms Martel:** Yes, but I just had one of your staff tell me she couldn't give me that number. That's why I was trying to get up to that number in the first place.

**Hon Mr Clement:** She can't give you an exact number, but I can assure you there will be an increase in the number of scans. They're part of the medically necessary, universally accessible service.

**Ms Martel:** OK, but wait a minute. Let me back up. You're giving them \$28.3 million. My specific question was, how many more new procedures is that going to provide to reduce waiting lists? I think I heard your staff say pretty clearly, "We can't tell you that because some portion of that money went to pay hospitals because they were diverting their money to continue to run. We don't know what the new procedures are going to be." So I'm having difficulty determining how much work went on to clearly show that you needed to move into the for-profit sector if you can't even answer that simple question about how much \$28.3 million is now going to buy you in terms of new procedures.

**Hon Mr Clement:** Let me say again, every year there is a great deal of work that is done in consultation with the hospital sector on their needs and expectations for their budgetary planning purposes. This is a sector where there is currently in Ontario a mix of the utilization of the procedure for universally accessible, publicly funded, medically necessary services and for other purposes as well, including WSIB claims and third-party payer claims. That happens now. That occurs right now in the

hospital setting, because that is the only place where we have MRIs and CTs presently.

The answer to your question is, right now there's a mix. Right now, some hospitals eat the added usage of the MRI/CTs for medically necessary services as part of the budget; others don't. But as a result of the dialogue with hospitals and with a review of their operational plans for the year, there is a conclusion that was reached by the government that increasing the direct payment and the specified payment for medically necessary scans would in fact give us the results that we expected.

**Ms Martel:** Can I ask—

**The Acting Chair (Mr John Gerretsen):** We'll have to leave it at that. The 20 minutes are up. It's now the government side.

**Mr O'Toole:** I'm going to continue on the same theme if perhaps Allison would like to stay there, because I'm going to be asking. I think they've established a great deal of interest in your commitment to add additional dollars to the diagnostic equipment: CT and MRI. I think Mr Miller raised the question as well. I want to drive down to a little more specifically—I understand the current RFP for the process to go through is to be issued—I'm not sure if it has been issued—

**Hon Mr Clement:** No.

**Mr O'Toole:** —to allow not just the private operators; existing hospitals could bid as well, it's my understanding, in a hospital facility. This is really my question. I know my local Lakeridge Health Bowmanville site had worked for almost a year to develop and operate within their own existing budget the CAT scan, and they were close to being licensed, similar to Mr Miller—there were criteria that were developed. I had met with the Lakeridge Health Bowmanville physicians' group and Dr Tony Stone and a very progressive group of doctors and other medical staff. They were saying to me that this would help in the recruitment of new doctors; this would help cost avoidance in the case of their site. There's a lot of cost implied because of diagnostics not being on-site. They get transferred to Oshawa, and Oshawa is closed many times because of inadequate equipment, I guess. Other than that, it goes to Lindsay or Toronto. So you've got ambulance attendants and other costs that could be avoided if there was an on-site diagnostic tool such as a CT scan.

I'm just wondering: in the current climate, is introducing a set of new rules going to in any way jeopardize the lot of work that's been done over the past year with the Lakeridge Health Bowmanville site—being that close and now we've got a new process for them being available? It's a similar question to Mr Miller's question earlier.

**Hon Mr Clement:** I think that's a fair question and I can certainly indicate to you that we are continuing in dialogue on a lot of these issues. Sometimes it's a case-by-case resolution of these things, where we look at the individual circumstances and conditions in the community. I think what you're getting at is that there is certainly an argument to be made that circumstances



have changed somewhat in terms of the original criteria. I think that's what Mrs Papatello was getting at as well. I'm certainly prepared to review that and see whether the original criteria are still applicable and still relevant and still helpful in meeting the needs of the community in this area.

**Mr Chudleigh:** The Ontario Family Health Network had its roots, its first clinic, in Oakville in the riding of Halton. I liked the concept when it started. It obviously gives patients 24-hour access seven days a week to get treatment, to get help when they need it. It avoids the expense of going to emergency rooms in hospitals. I understand that it has been expanded and, from the look of the budget, it's going to be expanded again. Could you tell me how this is working out and how successfully this has turned out in other parts of Ontario, as well as in Oakville?

**Hon Mr Clement:** I think we are gaining considerable momentum. Yesterday I was able to announce the establishment of four new networks in four different communities, including rural communities. The information I've received from the family health network agency is that the type of consultation they are having with individual family doctors is getting right into the nuts and bolts now, where they're doing cost-benefit analyses in terms of how they operate their practice under the old fee-for-service system versus how they'd operate their practice under the family health network, which is a different type of remuneration; considerably different.

As the doctors who were part of the media conference yesterday indicated, these things take a little bit of time. He used the example of the news media, so I'll use the same example: if someone asked the news media in the room to completely change the way they were remunerated, I'm sure that the news media, just like anybody in our society, would want to take some time to review what the impact on the bottom line was going to be for them and their families. That's a perfectly legitimate exercise to take place.

There is some hanging back by some family physicians who are waiting for the first wave of these networks to be established and then they're going to take a look to see how their colleagues are doing in that first wave. One of the doctors on hand indicated that his profession is somewhat conservative when it comes to these kinds of issues, but when you're dealing with monetary remuneration and how their practice is structured—those are pretty elemental issues.

All of which is a long way of saying we're making progress and we are signing more physicians to family health networks. Incidentally, they are showing a willingness to expand into a multi-disciplinary framework, either with nurses or pharmacists or dietitians. This is the next phase of their consideration once they get their practice set up under the new arrangements. You're right to characterize it as a 24-by-7 approach, where the office hours are expanded and, to the extent that the office is closed for some reason or other, there's an automatic nurse advice line that kicks in so that when anybody

phones that number they're not left with just a voice mail recording. I think that's very important as well, for patients to have that kind of access.

**1410**

The doctors yesterday who were part of the announcement of the new networks were ecstatic about how this is going to benefit their type of practice and encourage them to engage in preventive medicine, encourage them to develop wellness strategies, encourage them to incorporate such things as special services for the seniors population in their practice. So I come out of it optimistic. I am impatient, as the rest of us are, to see more of these services being put in place, but I have no hesitation when I say it will occur.

**Mr Mazzilli:** Minister, certainly last year and the year before I sounded like an opposition member when it came to ambulance funding—

**Mrs Papatello:** Not quite; not even close.

**Mr Mazzilli:** I would think so. Minister, I'm certainly happy that you listened. Can you give us some sort of a breakdown of how you expect to allocate the \$32 million you recently announced?

**Hon Mr Clement:** I can give you some detail in terms of the breakdown: \$3.3 million of that will be going to dispatch services. That will create 66 new full-time equivalent positions in the ambulance dispatch centres, which will improve the functioning of those centres. There is of course the \$29.2 million that is directly related to ambulance response times. That means over 500 more paramedics will be part of the system.

**Mr Mazzilli:** Can I stop you there for a bit, Minister?

**Hon Mr Clement:** Yes.

**Mr Mazzilli:** The \$29 million is on a 50-50 funding split, so would that be leveraged to almost \$58 million? Is that how I can read that?

**Hon Mr Clement:** That's right. We are in detailed conversations with municipalities on those aspects of it. I don't have it all tied up in a neat bow yet, but with the funding we announced in the middle of August, the municipalities have taken that very seriously and want to have a dialogue with us. Can I defer to Gail Ure just on the status of where we are on that?

**Mr Mazzilli:** Absolutely.

**Ms Ure:** It's Gail Ure, executive director, health care programs.

The announcement, as you know, was only made a week and a half ago. It was made at AMO. We talked about the issues for ambulances and municipalities. What we need to do now and what we're doing now is developing an implementation plan. I will be going out and talking with each of the municipalities with regard to what their needs are, what they've put in initially as their needs and what the requirements are to deliver, because we're expecting the 50% funding on those issues. That amount of money adds up to \$27.95 million.

In addition, there is \$1.25 million for recapitalization for ambulances. The reason for that is that in March of last year we provided \$10 million for new ambulance vehicles. Now, why would we do that ahead of time?

Well, ambulances take a while to order because they have to be special purpose, and the recapitalization money, the \$1.25 million, is to ensure that they have the recapitalization for those new vehicles. That was also on top of the \$5 million that was allocated in September for equipment and ambulances, and \$5 million the previous year. So we've got the vehicles, we're working on getting the resources in terms of paramedics as part of the \$27.95 million, and as the minister said, we're also working on the dispatch system.

**Mr Mazzilli:** If I can just stop you there for a second, one of the complaints that I heard before was not the 50-50 funding formula; it was being approved for new ones that was the problem. Is there going to be some kind of formula, either by human resource hours or by population, one per 1,000, that's going to put some equity across certainly the urban centres?

**Ms Ure:** At this point there is not an equity model as such that we've talked about.

**Mr Mazzilli:** The complaint I have heard in the past, obviously, was that the ones that were run by the Ministry of Health had a different capacity level.

**Ms Ure:** The dispatch centres?

**Mr Mazzilli:** No, the ambulance service. When it went to a 50-50 funding formula, the ones that had 70 got to keep 70 and the ones that had 35 were only approved for 35. So I'm hoping that with this new funding, there can be some equity spread out across the province.

**Ms Ure:** There are two parts to the funding for land ambulance. One is the land ambulance template where people were funded according to what they had previously, just in the conversion to municipalities. The second part is the response time. Municipalities put in what they thought they needed to give them the best response time within their jurisdiction. There's variability between urban and rural, but they put in what they thought, based on their analysis of best practices and their comparison with other municipalities. That's what we looked at and that's what the framework was designed to do.

**Mr Mazzilli:** When do we expect to have the fine details worked out in order to be announced in our communities?

**Ms Ure:** It will be over the next month that we'll be meeting with the individual municipalities and talking with them about the expectations for the money, as well as their plans that they originally submitted.

**Mr Mazzilli:** Thank you.

**The Acting Chair:** Mr Miller?

**Mr Miller:** How much time do I have?

**The Acting Chair:** You have exactly eight minutes.

**Mr Miller:** Oh, my goodness.

**The Acting Chair:** We can make it seven.

**Mr Miller:** The nurse practitioners: I was very pleased to hear that in the budget the funding for nurse practitioners has been doubled. In my riding of Parry Sound-Muskoka, a couple of applications for nursing stations, one in Rosseau and one in Whitestone, were turned down earlier this year due to the criteria. I think

it's the 80-kilometre rule, that they're within 80 kilometres of the Parry Sound hospital. Those are projects where there is a lot of community fundraising going on for the capital portion of the nursing stations and there is a lot of community support. Certainly the communities are committed to the projects and they have the support of the district health council as well as the Parry Sound health centre. My question is, are these applications eligible for nurse practitioner funding under the recently announced nurse practitioner strategy and the doubling of funding that's happening?

**Hon Mr Clement:** My understanding is that we are in discussions to that effect, and certainly it is within the realm of possibility. Maybe I can defer to and introduce Mary Beth Valentine, our provincial chief nursing officer, who might also have a perspective that would be helpful to the committee.

**Ms Mary Beth Valentine:** I could perhaps elaborate a little bit. The \$3 million that was announced for 12 communities earlier this year was to place 20 or more nurse practitioners in communities either without physicians or where they are severely underserved for an extended period of time. We have had 11 of the 12 community meetings to date. In the Parry Sound area, there were a number of people from both east and west Parry Sound there. Communities identified areas that they felt were of particular concern, and the two communities that you have named were certainly identified as primary targets, more or less, for nurse practitioners.

The 80-kilometre requirement related to nursing stations is not a requirement in the nurse practitioner demonstration project. The nurse practitioner demonstration project is primarily geared to improve access in communities without physicians, and from that standpoint, as the starting criteria, the two communities you've identified are key for consideration.

At this point, the community is doing some follow-up for some further discussion themselves around other issues and concerns. There were also some other communities identified. So the community, under the leadership of the district health council in that area, is carrying on with some further discussion, and the ministry is prepared to be meeting with them as soon as the community is ready—I would imagine within the next two or three weeks—to engage in further discussion and look at how we can move forward.

I would just like to add that the reception in the communities we've been to has been tremendous. The communities have all had health care providers, and in some cases physicians were able to attend because they were evening meetings or they made an effort to get there.

Sponsoring agencies, groups such as the VON, CHCs, potential sponsoring agencies and municipalities, have been extremely supportive. So we've really seen tremendous response with communities very anxious to be able to proceed. We've also received a number of indications of interest from communities as nurse practitioners roll out with potential new announcements over the future.



1420

**Mr Miller:** Thank you. That's certainly in the area of Whitestone and Rosseau. They are an underserved area and they aren't able to get doctors, even though I know they're designated as qualifying to have a number of doctors. But they currently have not been successful in getting doctors. There's a lot of support for nurse practitioners as being a way to bring health care to those—

**Hon Mr Clement:** I couldn't agree with you more. From our perspective, the debate is really over. These are underserved areas or no-service areas of our province, and we have ample evidence that nurse practitioners, working in conjunction sometimes with remote telemedicine or other services, are perfectly capable of alleviating some of those concerns and providing the health care. So we are moving down that road, and we'll be seeing more of this.

**The Acting Chair (Mrs Sandra Pupatello):** You have two minutes.

**Mr O'Toole:** Also, you mentioned innovation in your envisioning statement for the ministry, and all of this is part of the family health network. But I just wanted to make some comments. I was very privileged to visit a demonstration at I believe it was Sunnybrook to watch the distance medicine. It's envisioned and certainly well embraced. They were actually doing a demonstration, a live, real demonstration from Sunnybrook to other remote parts of Ontario. I was quite impressed not just with the technology and the hardware but with the physician and indeed patient comfort with that whole new approach, the innovative approach that you've mentioned.

Maybe just in the remaining time—I know as part of the Ontario Family Health Network I've had the privilege of working with Ruth Wilson on a couple of visits and was quite impressed. There is, as you said, the e-physician project that I visited, where the physicians are gaining comfort with the new technology but they're also impressed—even they were commenting in the visits I had about how the drugs are checked with the little tablet they're using. I should ask you to spend some time on the commitment under the umbrella of the family health network to technology and to the broader goal of smart systems for health or some of the innovative issues that are out there that perhaps to the public aren't as understood or embraced because of a lot of demonstration stuff going on at the moment.

**The Acting Chair:** A few more seconds, John.

**Hon Mr Clement:** I'm very excited about it, actually. There's a lot going on in the IT field in health. From my perspective, it not only helps deliver better clinical care and outcomes but it also helps retain and recruit physicians who may be in remote or rural areas, who may have felt cut off from their profession. This is the same in the nursing profession as well, both professions. Now they have a direct real-time link. They feel part of a broader profession. So it's definitely part of our strategy to expand that.

**Mr O'Toole:** How do we stack up against other provinces?

**The Acting Chair:** Thank you, Minister. Your time is up. Over to the Liberals.

**Mr Gerretsen:** I'd just like to follow up on the nurse practitioner situation. How many registered nurse practitioners do we have in the province, Minister?

**Hon Mr Clement:** When you say "registered," do you mean—

**Mr Gerretsen:** Qualified.

**Hon Mr Clement:** Mary Beth Valentine, nursing secretariat.

**Ms Valentine:** I believe it's 469 who were regulated with the college of nurses. That's a bit off the top of my head.

**Mr Gerretsen:** How many are employed currently as nurse practitioners?

**Ms Valentine:** Some 289 are being funded by the Ministry of Health at this particular point. There are others who are employed in other types of situations.

**Mr Gerretsen:** So 289 on a full-time basis?

**Ms Valentine:** Full- and part-time. We have the number as they fill their college regulatory requirements. That's where the statistics come from. So I don't have a specific breakdown, but the vast majority of those are full-time positions.

**Mr Gerretsen:** Let me ask you this, Minister. That means there are about 180 or so qualified people who are not employed as nurse practitioners. Why? Why aren't you doing more to see that these people get particularly into underserved areas?

**Hon Mr Clement:** I think I just spent the last 10 minutes telling you we are doing more.

**Mr Gerretsen:** What was the number you gave us earlier as to how many exactly are involved in these pilot projects you're talking about?

**Hon Mr Clement:** These aren't pilot projects, first of all. This is an expansion of funding. What are the numbers again?

**Mr Gerretsen:** Just give me the numbers.

**Ms Valentine:** Some 20 to 22 have been announced, but the commitment that was in the budget was to double the number of nurse practitioners who are employed. So that is a doubling of the 289, as I understand it.

**Mr Gerretsen:** So it's your plan, then, to have all of these people employed, let's say, within the next year. Is that what you're saying?

**Hon Mr Clement:** Yes. We'll have the funding in place for that.

**Mr Gerretsen:** You'll have the funding in place to basically fund all of the nurse practitioners who are qualified to practise their trade in Ontario?

**Hon Mr Clement:** We have the funding in place, that's correct.

**Mr Gerretsen:** My next question is on long-term care. I want to make this as simple as possible.

**Hon Mr Clement:** Thank you, for my benefit. I appreciate it.

**Mr Gerretsen:** I understand that under the current system the operators are collecting \$3.02 more per

resident than was the case prior to August 1. Out of that, 87 cents goes to the operator as, I take it, additional accommodation costs. Am I correct in that?

**Hon Mr Clement:** That's my understanding. Yes, that is correct.

**Mr Gerretsen:** So the difference, then, which would be \$2.15, is being collected by the operator, correct? The operator collects the entire sum of money. So he, she or it collects the \$2.15, which basically has given you more room, because you're no longer paying that toward the accommodation of a particular facility, in order to pay more for the personal care and nursing services. Would you agree with that?

**Hon Mr Clement:** That is correct. That is a partial explanation of the increased funding for nursing and personal care. But, again, I wouldn't want to leave the impression that is the only way we are funding increases in nursing and personal care.

**Mr Gerretsen:** No, I realize you're topping that money up. But in effect, indirectly, the residents who are going to be paying the increase are paying \$2.15 per day of that additional nursing care cost indirectly. They're giving it to the operator, and you're taking that money away from the operator.

**Hon Mr Clement:** I guess we're into differing versions of characterization, Mr Gerretsen. I would say that we believe our commitment as a government should be toward nursing and personal care. We believe those who can afford to pay a greater percentage of their accommodation in a phased-in way—that will be their requirement to do so. I think that's the way I would characterize it.

**Mr Gerretsen:** How many of the 61,000 individuals who are currently resident in our long-term-care facilities are completely subsidized?

**Ms Kardos Burton:** I think we had agreed earlier that we would get you the number.

**Mr Gerretsen:** You don't have that number?

**Hon Mr Clement:** We don't have an exact number.

**Ms Kardos Burton:** I don't have it right in front of me.

**Mr Gerretsen:** But would it be around 10,000?

**Hon Mr Clement:** John, in all respect, this is a committee of the Legislature. You deserve exact numbers, and we have undertaken to give you an exact number. So if you want us to do it off the tops of our heads, we're not going to do that. That would not be polite.

**Mr Gerretsen:** Let's assume that it's 10,000 for the moment. If you take the \$2.15 times 365 days, and this is over a full fiscal year—I'm not talking about the current fiscal year; we're only talking about another five or six months—in effect you would be looking at close to—\$2.15 times 365 times 50,000—probably something in the neighbourhood of \$35 million. Would you agree that that's the number if there were 10,000 people fully subsidized? The rest of the people would come up with \$35 million over a full fiscal year. We have no mathematicians in this huge department, where we've got 48 people representing here today?

**Hon Mr Clement:** I think they're being cautious, John, because this is serious stuff here.

**Mr Gerretsen:** You're darn right, Minister. It's very serious stuff, particularly to the people who were hard-hit in June and July this year, who all of a sudden have to come with an extra 230 bucks.

1430

**Hon Mr Clement:** I'm glad you agree with that. Rampant speculation is not particularly helpful, so we would like to give exact answers.

**Mr Gerretsen:** Well, Minister, let's deal with another aspect of that, and that's the whole question of accountability. You mentioned this morning that a regulation was changed whereby at one time, I take it, there was a firm regulation that each resident would be given a minimum of one bath per week. Now in a more loosely defined way it's left up to—there was some discussion as to whether it's the registered nurse or whether ultimately it's the owner or the operator of the facility or what have you. Would you not agree that there may be some concern among some people—some caregivers, perhaps, or some residents—that if you don't put a minimum finite number in the regulation, it may very well turn out that some of these people may not get a bath for a couple of weeks or 10 days or whatever?

**Hon Mr Clement:** The short answer is no. Again, I disagree with your characterization of this as somehow, in your words, "loosening" the regulations. This, in our view, makes it clear that there is a daily standard of care which is expected by this government to be adhered to daily. In our view, that is a strengthening of the standard of care, not a loosening of the standard of care, as you characterized it.

**Mr Gerretsen:** Are you suggesting that these people are going to get daily baths?

**Hon Mr Clement:** I'm suggesting that in certain circumstances where the standard of care requires it, that is exactly what they will get.

**Mr Gerretsen:** How are you going to implement these guidelines? How are you going to make sure that it actually happens within a particular home?

**Hon Mr Clement:** Mary Kardos Burton can speak to our oversight mechanisms.

**Ms Kardos Burton:** Certainly, I can do that, Minister. Thank you. We talked earlier about the operator having the responsibility for ensuring that standards of care are throughout all of the homes. We also mentioned the change in the regulation in terms of the staff providing that care to people, and we also talked about why it was different and there wasn't a particular number of baths listed.

First of all, we have a compliance manual; we have manuals, we have standards. We talked earlier this morning—we have 427 standards. The way we will ensure that appropriate care is being met is through our compliance program, in which I think we've demonstrated that we have a very good record. We have our regional offices, which are responsible for the ongoing operations, which work with all of our long-term-care



facilities. We have regular reporting mechanisms. We have audits that are also done. We have a variety of mechanisms. The rationale for not having one versus five is, as we talked about earlier this morning, different people have different needs in terms of—

**Hon Mr Clement:** Right, and I should state for the record that according to these standards of care, an individual should be required to receive more than one bath per day. That's why we've got 42 full-time compliance advisors who are there for the oversight, as Mary Kardos Burton indicated.

**Mr Gerretsen:** Nobody disagrees with that, Minister.

**Hon Mr Clement:** I'm very glad to hear that.

**Mr Gerretsen:** We're talking about setting a minimum. Why would you not put in regulation at least a minimum set of standards? What was the thinking that went into getting rid of the minimum notion completely, realizing how well that some people need more than the minimum?

**Hon Mr Clement:** Our experience with standards of care is that there is a potential for minimums to become maximums. Really, what is at stake here is the appropriate standard of care that is required, that should be expected by the individual when they place their health in the hands of others. Therefore, our experience and the advice of those who know this sector extremely well—

**Mr Gerretsen:** Who are we talking about?

**Hon Mr Clement:** —to Minister Newman and myself is that better, tighter, more oversight is required—better results are received, I should say—if there is a standard of care that is explicit but is not reduced to mere numbers. Mere numbers sometimes lead to less comprehensive health care, not more comprehensive health care.

**Ms Kardos Burton:** If I could just add to what the minister said, it was a conscious decision to take an outcome-based approach. So it is the outcome that's required in terms of the individual and the quality of care.

**Mr Gerretsen:** Is that the same thought process you used in order to get rid of the 2.25 or 2.5 hours of nursing care that you took out of the regulations a few years ago? Is that the same sort of thought process that you went through?

**Hon Mr Clement:** I really can't speak to that.

**Mr Gerretsen:** Did you want to say anything to that, ma'am?

**Ms Kardos Burton:** I didn't take the 2.5 out of the regulations years ago, but we had that discussion earlier and we got advice that we should look at regulations on that, and I think we're looking at that. No decisions have been made in terms of how we will be dealing with that.

I understand your point in terms of, it was in regulation; it isn't now. That does not necessarily mean that the standard of care is worse, but we will certainly look at that situation.

**Mr Gerretsen:** With all due—

**Hon Mr Clement:** With your indulgence, Deputy Minister Hassen would like to just add something.

**Mr Gerretsen:** Welcome, Deputy.

**Mr Phil Hassen:** Thank you. Just a couple of points: I think we're assuming everyone is going to try not to care for these people. Really, we have a series of professionals. Part of the reasoning of the funding was to ensure good medical care. The medical people are there also to help provide that standard of care. These are professionals and they do have a responsibility to ensure good care to the facility as a whole. In addition to that we have the compliance officers who do go in, evaluate the situation, make sure there is a care plan for the residents as well. Finally, besides the compliance officers, there's accreditation. Almost every one of the facilities is accredited. That too sets some standards in place. So I really would say that there is an intention to try to ensure good quality care, and I think the staff deserve a lot of credit for the care they provide.

We all know that we are always assessing these standards and ensuring they're good standards, and having been on that side of the arena as well you always are trying to balance these things. But clearly you're trying to provide the best care for the patient or, in this case, the residents.

**Mr Gerretsen:** With all due respect, I think a lot of people would suggest that if at least you had some minimum defined standards rather than the loose verbiage and terminology that all sounds wonderful in theory, it would give the individuals much greater assurances than is currently the situation.

I'd like to turn to community care access centres for a minute. We haven't spoken about that at all. Minister, would you agree that generally speaking—and I think your vision even speaks to that—it is preferable for elderly people to stay in their own homes as long as possible?

**Hon Mr Clement:** Absolutely.

**Mr Gerretsen:** Then why is it that if somebody needs more than 14 hours of weekly community care somehow the community care access centres cannot give more than 14 hours of care to an individual in a home?

**Hon Mr Clement:** We've always had a community care system that was locally based, that would look at the different circumstances that were inherent in the needs of the individual communities. Certainly we have tried to maintain and support that. There has been quite substantial funding, as there should be. Since 15 years ago, I think there has been a 440% increase in funding. I think you would agree with me as well, Mr Gerretsen, that our notion of home care and of community care and what it can do has grown, and certainly our government has made that a priority in its funding. The answer is that in each individual case we let the local CCACs determine the appropriate level of care. We're responsible for funding overall, of course, as a government. We have a \$128-per-capita funding level, which is the most generous in Canada. Those are 100% provincial dollars, incidentally—there's not a single dime or nickel or penny of federal money that goes into that—and we will continue to be leaders in that area.

**Mr Gerretsen:** Could you explain to me why—and this is on page 71 of your budget documents—in the community care access centres there's about \$30 million—the estimates last year were for \$1.169 billion and the interim actuals for \$1.139 billion; in other words, a \$30-million deficit or underspending. Particularly when most community care access centres were screaming for money, why did the ministry underspend by that amount of money?

1440

**Hon Mr Clement:** You raise a good point. The money was allocated and was not spent.

**Mr Gerretsen:** The money was allocated and not spent.

**Hon Mr Clement:** Yes. It was part of my budget and it was not spent by the CCACs. So you might want to ask your individual CCAC why they didn't spend the public's money that way.

**Mr Gerretsen:** They're not public boards any more. We've been trying to get that kind of information from them, but they're certainly not as accommodating in sharing information.

**Hon Mr Clement:** They are public boards, sir. I would put it to you that they are—by an order in council, by a publicly elected government—so that makes them a public board.

**Mr Gerretsen:** Will you ensure, then, that when a member asks a particular CCAC within their area of jurisdiction or within their riding to provide that member with the information along those lines, as far as budgets and expenditures are concerned, that those CCACs will be providing that information?

**Hon Mr Clement:** Certainly I think it's our intention—Minister Newman's and mine—to ensure that each board is publicly accountable to the public and should be accountable for the money they spend and how they spend it—absolutely.

**Mr Gerretsen:** And the public would include the MPPs who represent that area? So if they wanted certain bits of information, I can quote you from the records of this meeting as basically telling them that they should provide the local MPPs with that information if they require it and if they're asking for it.

**Hon Mr Clement:** Certainly you should be in no worse a position than any other member of the public. I can assure you of that.

**Mr Gerretsen:** Thank you. That's very comforting. I'm very glad to hear that.

*Interjection.*

**Mr Gerretsen:** Only one minute?

Just so I'm clear, the 14 hours per week maximum that an individual can receive is set by the ministry, or is it set by an individual CCAC?

**Ms Kardos Burton:** Individual CCACs actually assess the level of service that an individual needs. There are regulations in terms of service maximums, and we are in the process of actually reviewing those service maximums this fall. But they are reviewed and they're based on an individual's need for care.

**Mr Gerretsen:** Would you not agree, if somebody needed, let's say, 18 to 20 hours of care but could remain in their own home, but needed more care than the 14 hours you've set out in regulation or otherwise right now, that it would make a heck of a lot more sense to actually fund that money and allow that person to live in their own environment—most elderly people would like to continue to do so—rather than forcing that individual into in effect the long-term-care facility?

**Hon Mr Clement:** John, I would not agree with your characterization as you put it. There has to be a clinical assessment made. Of course we all want those who receive community care, including the elderly, to be as close to home as possible, in their homes as long as possible, for many reasons, moral as well as financial.

Having said that, at some point, clinically, you have to make the determination that however much we may wish for them to stay in that environment, it is not clinically advisable, nor does it achieve the best outcomes, in which case other institutional care, regrettably, has to be the option.

**Mr Gerretsen:** But if it was clinically advisable before you changed the hours—in other words, if somebody needs 15 hours of care, then all of a sudden it's no longer clinically advisable to in effect give them CCAC and they should be institutionalized.

**Hon Mr Clement:** I think we indicated that of course we're in the midst of reviewing some of these requirements. They are based on what we see as the best results for the population, for society. But of course we're reviewing those at this time.

**The Chair:** We're at the end of this round of questions. We now turn again to the third party and to Ms Martel.

**Ms Martel:** If I might just follow up on that, Minister: I point out to you that there are a number of families who are trying to keep their special-needs children at home who have suffered greatly because of this reduction. The Leatham family in London is one. They're not interested in having their daughter in an institution. The family could care for her at home and were getting the hours from the CCAC to do that. I know your staff are aware of that case and there are many others like that.

That is why the policy that's in place which has two hours per day, 14 hours a week, is just not on for families who are doing their best to keep their severely disabled children at home, for example.

In any event, I just wanted to go back to the standards of care and point out again why we're raising this. The PricewaterhouseCoopers study released in January 2001 showed there was a serious problem with respect to levels of care in this province. In terms of Ontario, when ranked against other Canadian, European and US jurisdictions, we ranked dead last in terms of the numbers of hours of nursing care for residents in long-term-care facilities, the number of hours to intervene with patients who present with behavioural problems and the number of people who require rehabilitation. That's not our study; that was funded by your ministry, and clearly it



shows why, I believe, there need to be regulated standards of care—regulated, in regulation.

**Hon Mr Clement:** I can assure you we have that.

**Ms Martel:** You don't. It was your government that did away with the regulation that said residents would get 2.25 hours of hands-on care per day—your government. That is a fact. It might not have been you, but it was certainly your government. The problem is that now under you there certainly is a change with respect to bathing. We got from the library the reg changes over the lunch hour, and I don't know why you're making the changes that you are.

This is the old regulation. Section 8 says, "The nursing staff shall ensure that residents who are confined to bed or who are incontinent have a complete bath daily, or more frequently where necessary, to maintain cleanliness and that ambulant residents have a complete bath at least once a week." Section 9 says, "The nursing staff shall ensure that proper and sufficient care of each resident's body is provided to safeguard the resident's health and to maintain personal hygiene."

The new reg only includes that section 9, which says, "The nursing staff shall ensure that proper and sufficient care of each resident's body is provided to safeguard the resident's health and to maintain personal hygiene"—the exact same wording, except what the ministry did was drop the section that actually put in some numbers. I think that's wrong. I think that lets some facilities off the hook to say, "We don't even have to do the minimum any more that used to be in the regulation."

**Hon Mr Clement:** I could not disagree with you more. I believe that this regulation is a way to express a standard of care which is not reduced to mere numbers, that is produced on the outcomes that we expect out of the system that we entrust our elderly and others to. It is a way to express that a standard of care has to be assessed daily, has to be assessed professionally, and you cannot be let off the hook because of a numerical standard found in a regulation. If that numerical standard found in a regulation does not produce quality care, we have a problem with that.

**Ms Martel:** I think that the experience coming out of the PricewaterhouseCoopers study shows us exactly why we need minimum standards of care in legislation—exactly why—and you're going in the opposite direction.

**Hon Mr Clement:** We have 25% more compliance officers, and oversight is certainly better than it was 10 or 15 years ago. That's certainly been our record.

**Ms Martel:** If I might, with the nurse practitioners, you said you were going to double the number, and the base you're working from is 289. So there will be another 289 nurse practitioners hired. Is that going to be funding for permanent positions?

**Hon Mr Clement:** This is part of the operational budget of the Ministry of Health, so yes.

**Ms Martel:** When can we expect an announcement?

**Hon Mr Clement:** I'm sure you'll be hearing about it soon enough.

**Ms Martel:** I hope it is soon, because there are a whole lot of nurse practitioners who are underemployed or not employed whose services we could really use, especially in a lot of the underserved areas in my community.

Let me go back to the MRIs. Minister, I would really make a specific request of your ministry to provide this committee with some more specifics about the breakdown of the \$28.3 million. I would really like to know, and I think we should be able to know, how many new procedures will actually take place in the hospital system as a result of that funding. I would really like to know the breakdown between your just reimbursing hospitals for having to reallocate budgets in order to do procedures versus actual new procedures that will take place. If your staff could do some work on that and provide it to this committee, I think that would be great.

Flowing from that, then, the RFP is not out. Can you tell the committee when it will be out for the new MRIs and the CAT scans?

**Hon Mr Clement:** No, I can't.

**Ms Martel:** Can you give us an indication of what kind of potential funding you envision for the clinics in terms of operating dollars?

**Hon Mr Clement:** I feel a bit constrained, and I hope you'll understand the constraint, because we do not wish to give commercial advantage or other advantage to one bidder or another bidder. So I am restrained on what sort of information I can provide to you until it is part and parcel of an RFP.

1450

**Ms Martel:** Can you confirm the ministry will only be providing operating dollars and not capital funding for the for-profit MRI clinics?

**Hon Mr Clement:** I'm really constrained. Of course, when the RFPs are issued it'll be a matter of public record.

**Ms Martel:** Wow. So can I ask this question another way? Are you actually considering providing capital funds for this?

**Hon Mr Clement:** There are simple answers to a lot of these questions, but I'm erring on the side of caution in the sense that these are commercial bidding processes where we want the highest possible standards of rectitude to be part of the government process. So I really feel constrained until the RFP comes out, when I'm sure we can have a fulsome discussion about how it is framed.

**Ms Martel:** Maybe I'll make this comment. You already know New Democrats have been opposed to this proposal. I was very concerned when you and your ministry allowed some of that federal capital funding, technology funding, to go to for-profit centres, nursing homes etc. We would be absolutely opposed if you were actually going to provide capital money to for-profit MRI clinics as well through part of this—

**Hon Mr Clement:** I'll certainly take that under advisement. I think you're jumping to some conclusions, so we'll take it under advisement.

**Ms Martel:** But I don't know, because you've already given us an example with respect to the federal money. You had \$380 million. It was clear that a portion of that, about \$60 million, went to for-profit operations, be they long-term-care facilities or independent health facilities, to buy equipment. Is that not correct?

**Hon Mr Clement:** I would not jump to conclusions.

**Ms Martel:** Is that not correct that you already did that with respect to the federal allocation of \$380 million?

**Hon Mr Clement:** The answer to that question more broadly is yes. We were concerned about the quality of care and the type of equipment used that is part of our public funding. It is part of our public funding when an X-ray diagnostic clinic performs a medically necessary service. It's part of our funding when a commercial long-term-care facility cares for our seniors. So they are part of the public sector too. Like it or not—

**Ms Martel:** Minister, only Ontario provided this money to for-profit institutions.

**Hon Mr Clement:** —when they take public money they are part of our public expectations. I see nothing wrong with ensuring that higher-quality, better-accessible medical equipment is available as part of our public system, quite frankly.

**Ms Martel:** I wonder if you can table for the committee the allocation that was made for the two years of the federal funding? Could we get an indication of which facilities were—

**Hon Mr Clement:** It's on the Web site, I think.

**Ms Martel:** For the two years?

**Hon Mr Clement:** Yes. It's on our Web site.

**Ms Martel:** If I just might point out again, I think, Minister, only Ontario actually provided federal funds to for-profit clinics. No other province did that. It was not part of the package.

**Hon Mr Clement:** You know what? Sometimes we're ahead of everybody else.

**Ms Martel:** We have a different view about that on that issue. We remain very concerned about two things. Number one, you told the health ministers that you had evidence that this privatization would work but you also said that the MRI clinics will only be allowed in the province if the private firms show they could provide cheaper and better diagnostic treatment. Can I ask how you intend to go about proving—

**Hon Mr Clement:** No, I said better, cheaper, faster, safer.

**Ms Martel:** How do you intend to go about proving that and showing that?

**Hon Mr Clement:** That is why one has an RFP, so that we can compare how the commercial sector can provide services, greater accessibility, within a universally accessible, publicly funded system for the medically necessary services that our citizens expect to have quicker and closer to home, and if they can so evidence that, then we go ahead. Right now in this province there are hundreds of facilities, a thousand facilities, under the Independent Health Facilities Act, which was created by

a Liberal government and implemented by an NDP government, a thousand private clinics within a universally accessible, publicly funded system. We have X-ray clinics right now approved by your government providing services, but they can't do a CT scan and they can't do an MRI scan.

**Ms Martel:** So the answer is that you can't provide us the criteria about how they're going to show they can do it faster, cheaper and safer until the RFP is out? Is that the answer?

**Hon Mr Clement:** That's inherent in our expectation, and certainly we will be setting standards that will be a part of this process and will frame the expectations of our government to ensure that we have better, more accessible diagnostic procedures closer to a person's expectation of when they receive those kinds of services.

**Ms Martel:** Can I ask how the ministry is going to prevent queue jumping?

**Hon Mr Clement:** I think I indicated that certainly part of the standards and expectations that we set will involve that medically necessary services will always be provided without additional charges, co-payments or fees. That is a requirement of the Canada Health Act. We intend to be absolutely consistent with the Canada Health Act. As in the case right now, if an independent health facility right now in some way deviates from standards and expectations, we can and we have and we would pull the licence. We'd pull the licence.

**Ms Martel:** It's the College of Physicians and Surgeons that does the assessment, right? Do they also monitor the compliance with respect to that very issue?

**Hon Mr Clement:** Again, the short answer is that we will have a regime in place to make sure that all of our standards and expectations in compliance issues will be met by any successful bidders.

**Ms Martel:** Does that include increasing inspection staff?

**Hon Mr Clement:** If necessary, yes.

**Ms Martel:** Has that been allocated for in the estimates? It hasn't on the long-term-care side.

**Hon Mr Clement:** Certainly we have staffing needs, but as we roll this out, we will be assessing that very carefully.

**Ms Martel:** Let me ask you if I can have some information tabled by the chief nursing officer. You can stay there, if you want, Ms Valentine. I'm actually interested in some of the nursing numbers of Ontario graduates. I'm wondering if the number of RNs who graduated beginning in 2000 and 2001 can be tabled for us. Can you give us some projections up to 2004? The reason I'm using 2004 is that in January 2000, the government made an allocation of additional funds and projected that there would be 2,800 nurses graduating at that time. I wonder if the government is still on track with that projection.

**Ms Valentine:** I'll get that information to the extent that I can.

**Ms Martel:** The second question would be, because there was a budget announcement of \$50 million by 2005-06 for nursing education, whether or not that



changes any target, or are you still working with a target of about 2,800?

**Hon Mr Clement:** You're getting into the territory of the Ministry of Training, Colleges and Universities. We might have to write a letter to Dianne Cunningham about that.

**Ms Martel:** But if you have a chief nursing officer and an office dealing with nursing issues, do you not have access to that? Do you not track those things as well?

**Ms Valentine:** We'd collaborate with the Ministry of Training, Colleges and Universities, but it's not the type of information that I would have readily available within my office.

**Ms Martel:** If you could get it, that would be great.

I just have one other question. This has to do with the nursing advisory committee's final report to the ministers of health, because they recommended increasing the number of first-year seats in nursing schools by 25% in September 2004, and then there were increases in each of the next four years. I'm not sure, Minister, if you're in a position to comment on what Ontario's position would be with respect to that important work, which clearly outlines that there is a shortage and we need to deal with that.

**Hon Mr Clement:** Certainly it was a topic of discussion among myself and my colleagues at the provincial-territorial-federal meeting. We discussed that very report. I can tell you that I was able to communicate to them the great strides that the province of Ontario has achieved. Of course, not only do we have the highest-paid nurses in the country but we have seen great strides in recruitment and retention—the 12,000 positions that we fund through the \$375-million annual fund is part of that—and we're working collaboratively with the RNAO and other institutions for recruitment, retention and education issues. So that was the kind of information I shared with them.

1500

This might be of help to you. We talked about more of a pan-Canadian strategy on health human resources, not just nurses but including nurses. There was certainly some appetite for greater collaboration on those issues, working with the federal government to match needs with the supply of new individuals who would be capable of being part of that medical profession.

**Ms Martel:** Do you anticipate that Ontario is going to have to change some of its funding strategies if you're actually going to try to implement portions of the report?

**Hon Mr Clement:** I think we're actually quite far ahead of the other provinces in this regard, so I think others are looking to us for leadership, and we've been providing that leadership.

**Ms Martel:** I wanted to talk about primary health care reform. I was at your press conference yesterday, and I just think it's fair to say that you and I have a different version of what "trailblazing" means.

I've got to tell you, Minister, I don't know why you want to try to continue to resuscitate family health networks. It has been over two years now since the

contract was signed with the OMA about the scope and the framework. We're now in a position where we have 40 new physicians who are part of this process, and in reality what you have is a bit of a change in terms of funding but essentially physician-only practices. I think if you are trying to advocate for real primary health care reform, you need to just admit that this project has not taken you down the road very far very fast.

I think what you should really do is to now actually fund the proposal that has been put to you over two years ago by the Association of Ontario Health Centres to actually start to get new CHCs up and running and to expand existing ones. I know you had a meeting with Gary O'Connor a couple of weeks ago. I know there was a very glowing result with respect to the importance of CHCs and how well they work from the strategic review that was finally released this year. I don't understand why you are not putting your government's or your ministry's time and energy into expanding the existing network of CHCs and increasing those rather than spending one moment more on family health networks. They are not taking you where we need to go.

**Hon Mr Clement:** I really couldn't disagree with you more. You mentioned a two-year time frame. It was only this January when we had the final contractual template so that people could actually sign up. As I said, there have been over 700 consultations, detailed dollars-and-cents consultations with family physicians who are eager to sign up and do the final calculations that they need to do to shift over their practice. So I remain incredibly optimistic, and I think my optimism is based on evidence that we are proceeding.

You mentioned the community health centres. Let me state for the record, as I stated to the organization several weeks ago, that community health centres are an integral element of primary care and will be in the future. I foresee an expansion of them as part of the solution. They are not the only solution nor are family health networks the only solution. In some cases, community health centres make more sense in the traditional form; in many cases, FHNs make more sense.

My attitude is: let a hundred flowers bloom. Let's let all of these different elements of primary care work and work well, and they will all be part of a very successful implementation, in my estimation.

**Ms Martel:** Do I still have time, Chair?

**The Chair:** Your time is up. Now I'll turn to the government caucus.

**Mr O'Toole:** We'll be dividing our time again.

I'll just pick up on the same theme here. I, again, always have the first interest of my constituents at heart. As you know, in Durham—I've sent you correspondence with respect to one community—the Scugog or Port Perry area is in the process of defining itself as underserved. I'm assured that the Bowmanville site for Lakeridge is also in the process. They were previously excluded because they were part of the greater Toronto area. I see that some of the things you've been talking about, the family health networks and other kinds of

community health organizations, will go a long way to providing, along with the nurse practitioner issue.

I'm part of a physician recruitment team as a sort of observer. I have to pay compliments to Ted Griffen and Dr Cohoon and members on that committee I've been working with.

One of the things that came up out of it—this isn't directly a question or a criticism; it's more of a clarification and I'll probably air my own view just to sort of let you know where I'm coming from. They're talking about physician recruitment and I keep telling them what you said in your opening remarks: this isn't an Ontario problem; this is a Canadian problem. Indeed, arguably, it's an international problem—commonness and standards and that. But the physician recruitment committee, in my understanding, is going about raising funds to offer new interns or new doctors some sort of stimulus or encouragement to the tune of maybe a free car rental or something like that. What I'm hearing back outside the meetings from the existing group is, "What about us? We'll just go and do locums and shop around and never set up shop."

I know you've wrestled with it; I know you've opened and got plans to open and expand existing training and foreign training. Could you give us a bit of your own purview? My view, as I said, on this stimulus or encouragement is it's the wrong place to start. If we start boxing in existing physicians and only topping up the new ones with a free rental on a house or a car—and the bottom line is they're really stealing them from some other community. If they recruit them from Stratford or Norwood, what's the resolve here? They're then going to have to go through the same process.

I know it's complicated—the family health network, the group practice, adding nurses and other health care workers. Perhaps you could just give us some glimpse of how far away we are with the northern medical school and those solutions, the longer-term solutions. I'm sure it's something you want to solve as quickly as possible, but, being honest, what you said earlier, it's a problem in other provinces. I've seen CBC reports where half the doctors in BC are from South Africa, and here it is: South Africa is now short of doctors. It's a huge challenge and it's complex solutions.

**Hon Mr Clement:** I think you've very successfully indicated some of the key points in this discussion. You just mentioned South Africa, which is facing an AIDS pandemic, and various jurisdictions are encouraging South African doctors to leave there and come here. There are some moral issues that are imbedded in that. I think George Zegarac is eager, chomping at the bit, to talk about this but let me just put my overlay on it first and say of course it's a multifaceted problem which requires a multifaceted solution. Part of it is the financial incentives, part of it is the expansion of the pool which is through the medical schools of course and through IMAs of course, and part of it is alternative payment plans in all of their guises and definitions for existing doctors to retain them so that it's not just recruitment; it's retention,

which means longer-term solutions rather than just grab the doctor, make her set up shop and then you're OK. She's got to have an incentive to stay there, which requires longer-term solutions. So through the George and McKendry investigations we've had a whole series of recommendations. As it turns out, this is what the public is concerned about. I always think of, Lyn McLeod would be happy to know, when I was talking to my provincial and territorial colleagues I mentioned the case of Thunder Bay: you know, a successful northern community of approximately 130,000 people, 40,000 people without a family doctor. Not good enough. How is Thunder Bay going to attract new business, new opportunity, new economic success when the first question the employer or the start-up entrepreneur is going to ask is, "Who's my family doctor?" So we've got a ways to go.

These problems were 10, 15, 20 years in the making. Some of these things will take several years to assist us, but things like IMGs can assist us right now and that is why we're taking this multifaceted approach.

George, I hope I haven't stolen your thunder.

**Mr George Zegarac:** No, that's fine.

**Hon Mr Clement:** The assistant deputy minister of integrated policy and planning division.

1510

**Mr Zegarac:** Thank you, Minister. As the minister indicated in his earlier remarks, the government over the last two or three years has taken a comprehensive approach, and that's the only way we're going to address these issues because it really will take a multifaceted approach to deal with some short-term pressures and some long-term pressures.

Dr McKendry, who is our fact-finder, reported to the government back in December 1999, and that government responded immediately and took some short-term measures: increasing the undergraduate enrolment by 40 positions immediately; moving forward with and expanding international medical graduate positions, moving forward with expanding opportunities for repatriating Canadian medical school graduates who were training in the US and who would like to come back but require some additional training. So we provided funding for that. We doubled the number of community development officers. We expanded our re-entry program. Those were short-term measures.

Part of that response was also to commission the expert panel that Dr Peter George from McMaster led. They reported back in 2001, and again we had to look at longer-term solutions that were going to be much more comprehensive in nature.

The enrolment increase: actually, the recommendation by the expert panel was to increase by 30% over a three-year period. The government response—and as the minister said today, we actually delivered within a two-year period. So the faculties of medicine have been working with us to actually go beyond the expert panel response and try to address the real pressures that we're facing right now and to try to create some longer-term capacity. It's not just capacity immediately, but develop-



ing—and I'll get to the post-grads that have been allocated to the north, because even though we don't have the northern medical school up and running yet—the commitment was 2004—we have allocated over 30 post-grad positions to Thunder Bay and Sudbury to start to build capacity and training, providing service to the communities, and those, quite frankly, will be some of the preceptors that will support the northern medical school as it gets established. So this is the capacity-building.

As the committee member indicated, in the southwest this is a challenge we're having as well. Fortunately in the north we had two well-established programs we have built on that have good relationships with McMaster and Ottawa University and we've been able to build that type of infrastructure. We hope to do the same—I am in constant dialogue with London and with Windsor and we are, I hope, very close to resolving any outstanding issues around their operational plan they're going to be submitting. We hope to be able to have the capacity in the southwest. The government has funded those positions.

We have funded positions also in the rural network that's covering the Niagara region, the Collingwood-Simcoe area. But we also realize that physicians aren't going to solve all the issues. The minister has already identified that we are going to have to look at other available resources to complement that.

The Nursing Task Force: as the chief nursing officer has identified in our response back in 1999 to the Nursing Task Force response, we introduced 106 nurse practitioners in underserved communities. As the committee member has indicated, that's a huge opportunity in those communities. But we also—and this addresses one of the earlier questions about long-term care—introduced 20 nurse practitioners in long-term-care settings as a pilot that has been successful and that we hope to be able to build on.

This is a challenge. The government has made a number of commitments. It has its free tuition program that's geared to encourage new graduates to practise in underserved communities. We have also looked at building on those opportunities with foreign-trained physicians. We have more than tripled our capacity to deliver both training and assessment of foreign-trained physicians. Under McKendry, we increased our physicians by 50% for the Ontario international medical graduate program here in Ontario, but we also responded with a new program to be able to try to accelerate the registration and licensing of physicians here in Ontario through the assessment program for the international medical graduates. We allocated 40 positions. The faculties have been working diligently with us. They actually delivered the additional 14 positions in the OIMG program a year ahead of schedule, so that was great. They have worked with us to develop the assessment modules for a number of different specialties, and we hope to be able to fill all 40 positions by the end of the year.

So if the work is not done, as the minister said, we're having discussions with our partners on the IMG issues and looking at further expanding on the opportunities that we've already taken advantage of. But it will have to be a comprehensive approach and it will have to also be a national approach.

**Mr O'Toole:** We just hope they all stay in Ontario at the end.

I think Mr Chudleigh has a question on that area.

**Mr Chudleigh:** Speaking of the nurses, who are the most valuable part of our health care system, I wanted to ask you a question on the flu shot program, which nurses by and large, I think, deliver.

I'm aware that we have this extensive program and that we're one of the few jurisdictions in Canada or perhaps North America that has a flu shot program that is comprehensive to the entire population of Ontario.

I was wondering, Minister, if you have any numbers on what percentage of the people of Ontario have received that flu shot, first of all. Secondly, have you done any work as to what that flu shot costs and what money it saves in health care costs and also saves in workdays not lost and those kinds of things? Are there any estimates done in those kinds of areas? Does the program produce a net benefit overall?

**Hon Mr Clement:** I would ask Dr Kurji to briefly outline—

**Mr Chudleigh:** He answered my last question. Will there be tests after this one too?

**Hon Mr Clement:** The statistics that I'm aware of—maybe there are some from last year's campaign—in the ones two years ago, the incidence of flu in our society was half of what was expected when you compare us to other provinces, firstly.

Secondly, another statistic that I embedded in my brain was that the incidence of flu in our nursing homes, our long-term-care facilities, declined by 97% in the first year of the program, which means that they're not going to the hospital. Those people, because of their condition, were more likely to go to the hospital, more likely to go to ERs. So we were definitely diverting people away from that.

If I can allow you in 25 words or less to elaborate on that, it would be great.

**Dr Kurji:** For the last year of the flu program, there were six million vaccines ordered and, of these, about 5.14 million were sent to health units. Some of these orders were then cancelled, so the net distributed was 4.9 million doses. So those are the numbers that have actually been distributed and have actually been administered to the population.

With respect to the evaluation of the program, basically, I think it would be fair to say that it is a little early to make great decisions with regard to final conclusions, because the flu activity tends to vary from year to year. The very first year that we had the program, as the minister has indicated, we had a tremendous decline in the numbers of nursing home outbreaks, long-term-care institution outbreaks. The following year we weren't so

lucky, and we actually had a rise in the numbers. Nevertheless, these numbers were still lower than what we would have expected.

As the minister has correctly pointed out, certainly the impression is that we are making great headway with regard to averting flu-related diseases and complications.

I think I shall stop there for the moment.

**Mr Mazzilli:** I just want to thank you for the capital funding that was allocated to London. Certainly the South Street campus, as you've heard, was closed by David Peterson 15 years ago, but of course the capital money never came to rebuild it. So I want to thank you for that.

Some of the prevention that you and some of your staff talked about—and I'm always skeptical because I don't know what to do. We all know that prevention is something that should be done, but how do you achieve it without spending an enormous amount of money trying to educate people? And then, really, you don't know whether you will ever see the benefits of it or if the strategies are working. Can you explain some of the strategies that your ministry is working on?

**Hon Mr Clement:** Sure. There are certainly elements of a great number of our programs that you could characterize as prevention and disease avoidance. For instance, when I look at our stroke strategy, our asthma strategy and our Alzheimer's strategy, all three of them—which are incidentally, again, trailblazers in North America for their progressiveness in dealing with some of these issues—have an early detection education component for individuals like health care providers and others so they can detect early signs of Alzheimer's or early signs of stroke or what have you. All of the evidence indicates that if you can detect these things early and intervene early, the impacts on the individual are a lot less severe. So I would characterize that as part of our prevention strategy.

I think your question was broader than that and was into some of the wellness issues. Of course the biggest disease prevention campaign we can do is convince someone not to smoke. I'm looking at you when I say that; I don't know why.

1520

**Mr Mazzilli:** I know that you are, and there's been a lot of money spent on people like me, trying to convince me not to smoke. And that's where I wish you luck in your prevention—

**Hon Mr Clement:** We just released a report from the health ministers' meeting that indicated that smoking in Canada is at its lowest level since 1965. So there are some indices that indicate some progress. There is more progress to be made, and certainly we believe there can be a very aggressive strategy similar to ones that have been tried in other jurisdictions, like California and Massachusetts, that especially can work on the juvenile element of smoking.

I'm very proud of what we call the youth tobacco team, which I employed. A group of youths came together from all over the province, demographically diverse

and so on, and put forward a series of recommendations that I'm very proud of that will help us re-examine our tobacco strategy for juveniles.

We have 200,000 juveniles who smoke right now, and if there's any dip in that, it's only because they're smoking pot instead, after reading the Senate report. But in all seriousness, this is a health and public health issue that we have to tackle. So that's part of public health.

Then we've got obesity.

**The Chair:** Two-minute warning.

**Hon Mr Clement:** Thank you.

We've got issues of obesity. Type 2 diabetes, acquired diabetes, is rampant in our society, especially amongst young people. This shows a failure of us as a society to successfully transmit to younger people a proper healthy lifestyle in terms of both diet and exercise. Not acceptable. This is an area where we have a little bit going on right now, not enough. Certainly it's an area that, with my provincial and territorial and federal colleagues, we're intending to have a more overarching strategy. So if anybody around this table has any suggestions on that area, by all means it has to be a focus in the future.

**Mr Mazzilli:** Well, good luck with your initiatives. I'll pass it on to my colleagues.

**Mr Miller:** I'll wait for the next session.

**The Chair:** OK. Thirty seconds. Any comment?

**Mr Mazzilli:** Certainly. I'll keep going. I know in 1997 the federal Liberals campaigned on a national pharmacare program. Is there any movement along that line that they're going to keep that promise?

**Hon Mr Clement:** I haven't seen any so far.

**The Chair:** We now turn to the official opposition and Mrs Pupatello.

**Mrs Pupatello:** I just wanted to remind the minister that one of his cabinet colleagues was the one, in discussion of pot smoking, who said he never exhaled. So I think if we start with cabinet in the Ontario Conservative government, we might eradicate that there first.

I wanted to go back to your OHIP expert. I don't know if you'll call him into the bullpen, because I do have some questions for the OHIP group again.

**Hon Mr Clement:** Yes. Dr McCutcheon, I believe.

**Mrs Pupatello:** While he's coming, I might ask you about community health centres. We understand there are some 100 communities in Ontario that are waiting for and wanting community health centres. A little while ago, you referenced a report that you received that had glowing terms for what good work community health centres do in the communities. It was well known that these groups haven't seen any kind of increase in the last 10 years in relation to salary or any kind of compensation and benefits. That is becoming a huge issue in terms of the retention of staff.

Page 111 of your estimates is showing \$740,000 as the increase, out of \$117 million, going toward health centres. Page 112 shows funding increases of \$830,000. So I understand what the amount is. Has that been targeted to anything in particular—to a particular health centre—or



spread across the ones we have? Why wouldn't you have allowed for additional, considering you had that report that you commissioned for over a year before you released it? We assumed you were sitting on that report to give you time to get money in that budget line.

**Hon Mr Clement:** Let me state generally, as we get the appropriate official in place, that I'm very supportive of the work the community health centres do. They're certainly part of our primary care model, and should be. And certainly the report you referenced was helpful in understanding the appropriate role they could play. So in my meetings with the association that represents community health centres, we are devising proposals and plans and strategies that would move us forward in this regard.

**Mrs Pupatello:** Is there a reason you didn't allocate more funding for community health centres, given how wonderful you think they are?

**Hon Mr Clement:** The approach has been to work out some details with the community, and I understand their concern over levels of funding.

**Mrs Pupatello:** Sorry. Which community?

**Hon Mr Clement:** With the community health centres association, the association that represents the community of community health centres, if I could use that term, in our province. Certainly we are working on a way to move forward.

**Mrs Pupatello:** Minister, are you aware that you've got several proposals that have already gone forward and are in various stages of the phases required to get approval? You have many well on their way, literally ready to set up shop and just waiting for your approval, and many of these are in underserviced areas?

**Hon Mr Clement:** Certainly I'm aware—all members of the House are quite adept at making me aware—of those proposals, and there is a lot of merit that is to be found in those proposals. I'm very supportive of community health centres. I think they have an appropriate and important role to play in primary care and that they are part of the strategy we are employing.

**Mrs Pupatello:** How do we differentiate this glowing report you're giving them and your continued support—how do we marry that with your not putting more money in that budget line this year for more community health centres? We appreciate—I know they do—hearing you say how wonderful they are, but it's like giving them the sleeves of your vest. If you don't put money in the budget for them, you may as well tell them to go home. We've got 100 communities waiting for them, many who have already gone through the machinations of the proposal writing, various phases of those proposals, various levels of acceptance etc. They are essentially waiting for you to give them the money.

**Hon Mr Clement:** Certainly I will take your concerns under advisement. They're very important.

**Mrs Pupatello:** OK. Could I ask the gentlemen who is your guru on OHIP: I was curious to know what precedents the OHIP offices have in striking group rates with American facilities for services for Ontario residents.

**Dr McCutcheon:** Generally, we don't strike group rates as such, but we reimburse based on out-of-country submissions that are made to us.

**Mrs Pupatello:** Many of the HMOs or places that our patients are being sent to in the US are private companies. Many of these have group rates. For example, if they know they're going to get 10 patients with the same procedure, they'll likely get you a better deal for 10 as opposed to one. So when Cancer Care Ontario came out with a report two years ago that was showing alarming numbers of patients going to Buffalo, Detroit etc, at some point did you have any discussions with those facilities to get the best price for the Ontario taxpayer?

**Dr McCutcheon:** I personally don't know, but I can certainly find out what was done at the time. I can tell you that the amount of money that was spent out of country for cancer care has gone from \$16.9 million in the year 2001 down to \$9.2 million in this past year. That's a reflection of the program to retrieve radiation therapy services back to Ontario. So it's fallen from \$16 million to \$9.2 million.

**Mrs Pupatello:** Was it your department that tipped off the ministry that they ought to be putting more services in Ontario because the payments you were making out of country were alarmingly high?

**Dr McCutcheon:** I don't know the answer to that at the moment. I wasn't in the position at the time this occurred, so I'd have to find that out.

**Hon Mr Clement:** There was a lot happening then.

**Mrs Pupatello:** When you were here earlier, you reported that certainly your office or your department puts out the red flag, that you have various people who review things to look at sudden spikes in certain types of payments.

1530

**Dr McCutcheon:** We look at things such as gamma knife technology and these kinds of things. We're looking at trends and seeing what are some of the developments that we need to look at from Ontario's perspective.

**Mrs Pupatello:** Specifically, the medical side of people giving approvals: many of our MPP offices work with the Kingston office and then they divert to the various regional medical people to make determinations. On many occasions we've tried to get out-of-country coverage for a variety of things, and we've had some precedent-setting things like a consultation for a specialist, for want of specialists where I come from; we've had approvals for them because they don't exist.

But sometimes it's almost as if your office is coy with us because you're afraid to set too much of a precedent for the political message that it might infer. For example, why would your department refuse out-of-country coverage for family doctors, knowing that most of Ontario is underserviced, that you can't find a family doctor here? Whatever the government is currently doing to try to improve that situation is light years away from actually having an effect. The professional bodies agree that the solution or even any kind of inkling of a solution is a long time away, despite what activity was just recited for

us a moment ago. Why wouldn't OHIP cover out of country for family doctors?

**Dr McCutcheon:** I think the strategy that your government is taking is primary care reform strategy to increase accessibility to family doctors. The Telehealth project, the various other strategies in place at the moment obviate the need to look at that as an alternative.

**Mrs Pupatello:** So are you making a medical decision that Telehealth is actually better than having a family doctor do a personal visit?

**Dr McCutcheon:** No. I'm saying that putting in place the HSOs, the primary care networks and the family health networks, having 24/7 availability and having other strategies coming forward, such as multi-disciplinary strategies etc, really is a much better way to go about providing primary care within the province.

**Mrs Pupatello:** I think that if your department had to submit your report card to the minister and you showed a 3.47% success rate, likely the entire department would be removed post-haste from the government. That in fact is the amount of doctors who are currently participating in primary care reform. I can't imagine that another department could use this government's snail pace in primary care reform as some kind of "hang your hat" to not allow family doctors in terms of out-of-country coverage. You can't possibly imagine that we would wait for primary care reform to solve our family doctor crises across the province. You can't use that excuse.

Only 3.4% exist in Ontario. While the minister calls that trailblazing, I need him to raise the bar in our expectations for primary care reform. It is virtually negligible in terms of what impact it's had on family doctor care. I need to impress upon the ministry that all the ministries have to work together across the board to solve the problem.

The minister's response that they've improved, these new 40 spots for IMGs—we asked questions of the ministry, and the information we got back is that in fact there aren't 40 more, there are only 27, and those 27 don't include family physicians because other places in the world don't have the two-year residency for family doctors. So those aren't the types we're getting for IMGs anyway.

Just moving into this other area of questioning for the minister, foreign-trained physicians seems to be the one way you can have an immediate, lasting blast of an impact in terms of physicians' availability for people in Ontario. We've repeated this time and time again. When you came out with this new and improved process to be streamlined, in essence it hasn't improved. The same barriers that existed for these foreign-trained physicians still exist today.

The requirement to have practised in the recent past is almost impossible for most of these foreign-trained physicians. These are people who have been in the midst of leaving their country, travelling to come to Canada, mired in various bureaucratic red tape to become citizens or not, and this is the same time frame that you're asking them to list when they've practised in Ontario. That's

why they can't continue in the application process. The minister's office is aware of these hurdles and really it's been frustrating to see, just constantly hitting the same wall. You knew what the hurdles were; we brought people with very little notice, we filled a room, 100 people, with two days' notice to meet your staff, Minister, to tell you why they can't get through your process, even this new, improved process.

You've got to give us an answer. I made a series of recommendations, one being an amnesty period where you would have temporary licensure as exists in other parts of the nation. This is a national problem, as has been referenced. We're losing doctors to other provinces for a whole variety of reasons, and there are people who have been trained in Michigan and who are practising in other provinces in this country under a temporary licence. I don't know who's saying that New Brunswick people—what, do they have a lower standard than we have? I think we have a national standard of health care. Why have we not adopted a temporary licensure program similar to other provinces?

It's not good enough to tell me 40, because you haven't reached 40; you've reached 27. The OMA submitted a report to you and the OMA looked at all that you've done and they said, "We observe that the incremental expected positive impact is fairly modest overall," in terms of what you've done to improve the doctor numbers in Ontario, "and no impact is expected until 2008." We are so short-staffed in most places in this province, you can't possibly expect us to wait until 2008 so maybe you'll find some doctors in Windsor who are prepared to train these new rural training centre students who are coming out. On average our family doctors have 4,000 patients on their client load, Minister. So you come in to talk to them about primary care reform; you'll be lucky if you wait a couple of hours and maybe they'll have a conversation with you while they're having a hotdog for lunch. They don't have this kind of time. I don't think we're being realistic about what we're asking them to do.

I can't impress upon you enough that you've said a lot about what you're doing to improve the doctor situation in Ontario. The results are very slow. They're negligible in the end in terms of what you've announced. The long-term strategy will not see results till 2008, and you have an immediate opportunity with 1,500 foreign-trained physicians in Ontario—that figure comes from your office—something that you can do immediately and have an immediate impact. And the best we got out of you was, "We're going to improve the assessment program and we're opening the spots to 40." Forty were not filled and the new assessment is not working. So I'm hoping to get some kind of comment from you that might be positive and at least endeavour to review other opportunities that come your way by virtue of temporary licensure, some kind of an amnesty period where these people will be accepted while you sort out a new system.

**Hon Mr Clement:** I certainly thank you for your commentary. I've heard elements of it before and I thank



you for reminding me of your position on these issues. George Zegarac can get into the detail of the current program, 27 versus 40 and whatnot, but the Ernie Eves government's position on this is quite clear: we expect to have more international medical graduates as part of our system; we are not satisfied with the current processes in place by the certification organizations, which are not the Ontario government, I might add, as the honourable member well knows; and we expect change to occur.

**Mrs Pupatello:** Minister, can you clarify something for me, just while you're mentioning that. You in fact, as the Ontario government, regulate the college. You set the mandates, you write the regulations, and they exist by virtue of Ontario legislation. Is that correct?

**Hon Mr Clement:** Mrs Pupatello, that is a simplistic conclusion.

**Mrs Pupatello:** But they do exist by way of your legislation, Minister.

**Hon Mr Clement:** Yes, they do.

**Mrs Pupatello:** Yes, they do.

**Hon Mr Clement:** But they exist as self-regulating professions, as you well know, and they exist as being responsible for their own certification, as you well know. So, yes, they are creatures of legislation, but they are creatures of legislation with certain rights and responsibilities.

Having said that, I am not satisfied with the current situation, I'm not satisfied with the status quo, and certainly there will be changes.

1540

**Mrs Pupatello:** Minister, I guess I just need to tell you that we are into the eighth year of your government—eighth—so it's impossible for us to listen to what happened before. We have practically an entire new population of Canadians in the length of time you've been in office—and it feels a lot longer than eight most of the time, I might add. However, eight years is a long time for you to say, "We're working on this."

**Hon Mr Clement:** No, you said that. I didn't say that.

**Mrs Pupatello:** I'm telling you that since 1995, you have been aware of the international foreign-trained physicians issue in Ontario. In that amount of time, we have heard repeatedly that the government is working on it. All I can tell you is that if it in fact is a priority of the government, it will happen.

We understand that Ernie Eves as well has blamed the college and suggested that it's other arm's-length bodies—other arm's-length bodies such as what? School boards in Ontario that you've decided to take over when it's your will? You've sent supervisors into hospital boards.

When you choose to, Minister, you can have exactly the effect you want. In this case, I think you'll have all-party agreement that we insist on bringing in foreign-trained physicians to work in Ontario for immediate solutions to a problem in some underserved communities. We're offering you these ideas. We understand that they're under review. Nothing happens. We believe that there are solutions that can happen quickly.

**Hon Mr Clement:** Mrs Pupatello, it is actually incorrect to say that nothing happens. A lot has happened over the last couple of years, in terms of expanding recruitment and retention initiatives. So I disagree with your assessment. It's your right to make that assessment as subjectively as you want to make it, but it's not accurate.

**Mr Gerard Kennedy (Parkdale-High Park):** Mr Clement, I just want to interject. I have a very brief time.

I want to ask you on behalf of a constituent—her name is Ellye Pryce. You would have noted in your clippings over the weekend that she's the woman who's not going to get hyperbaric chamber treatment because of the policy that you're allowing Toronto General to do.

I heard from Ms Stuart earlier that these so-called electives are not being reconsidered to be more available. They won't happen in Hamilton. They won't happen at all in Toronto for 15 months. I really want to check in with you on that.

This woman has had an operation. This hyperbaric treatment has helped immensely in her healing. I want to find out from you whether you're just dismissing that this woman and others require this hyperbaric treatment for other than emergency things, coming from the bends or from fire—although we can't dismiss those. Hamilton is a long way away in those emergencies.

I want to ask you: is the last word that we're going to have this shut down for 15 months or is your ministry actively reviewing the possibility of finding another way, whether it's at Toronto General or elsewhere, to continue that treatment? Because Ellye Pryce has a jaw that is coming apart. She literally could lose it if she doesn't heal properly. She deserves compassionate consideration. I understand, although I'm not an expert, despite a little bit of exposure to this—I certainly can't vouch for the fact that there are other people. In this case, I can vouch for her.

I wonder what you would say through me to her because, frankly, she has had her surgery today and she won't be able to speak for a little while, and she has other surgery that she needs consideration for. I'm wondering what you can tell her.

**Hon Mr Clement:** What I would like to say is that the ultimate responsibility of the government and the ministry is to ensure as best we can the health and safety of Ontarians. We review decisions that are in our purview to review, and we make decisions that are in our purview to make.

As I say, from my perspective, we constantly review any evidence or opinion or additional information that pertains to the individual decisions of individual boards of directors.

**Mr Kennedy:** Who can I talk to, Minister? Who is actively considering this particular situation that could affect—

**Hon Mr Clement:** I'm sure we can discuss it after this meeting. I'm not prepared to talk about an individual patient—

**Mr Kennedy:** All I want is one answer: is this particular decision being reviewed by your ministry or is it final that you will not intervene?

**Hon Mr Clement:** We will always look at new information, new evidence, new opinion, new experiences. We always do.

**Ms Martel:** I want to return to the matter of community health centres.

First I want to ask a question about this: on the estimates on page 100, the operating line for community health services where CHCs are included does include, of course, CHCs, midwifery and substance abuse. There appears to be an \$8-million change. I am wondering if that is attached to the substance abuse part of those three components. Is that essentially what the change is?

**Ms Ure:** It's Gail Ure, executive director, health care programs. There is an annualization of the three community health centres that weren't fully annualized. Those were the last three: Grand Bend, one in Waterloo and another one. That was the completion of their annualization. Up till that time there had been fiscal dollars that had been used to supply their necessary funds. But in this year it was annualized.

**Ms Martel:** Then in that regard, because I followed up last time we were in health estimates in October and let me follow again, in my own community there is a French CHC that has, as of about July 15, I gather, submitted their capital plan for their two satellite sites to the ministry. I don't think that they have received a reply yet. I know I haven't received a reply to my correspondence to you, Minister, which was to support that particular application. I gather what is required here is some kind of approval from your office so that this might go forward. Can you tell me where this is, after many long years now, finally at?

**Hon Mr Clement:** Certainly we are in the process of formulating a new strategy when it comes to CHCs and certainly these are the kinds of individual decisions that will flow from that.

**Ms Martel:** Can you tell me when the review of their document might be done and they might get an answer?

**Hon Mr Clement:** As I said, we've decided on a path with the association representing the CHCs to work on some proposals and some ideas and we're in the midst of that right now. I wouldn't want to cut that short.

**Ms Martel:** Let me back up. This is one that has been under active consideration by the ministry. I apologize; I should give you some details again.

This was a CHC that had previously been funded. The ministry had made a commitment in November 1995 that at some point there would be funding allocated, over \$1 million, for the two satellites and they had been working since then to do that. So my assumption has been that they are not included in the package of particular proposals that the association has given to you, that this actually has been moving along on its own so that the ministry could meet a commitment that it made in the fall of 1995.

**Ms Ure:** We're also discussing operating issues with them and some of the standards in the original agreement

and that's been part of what is being discussed right now with them, as well as the capital.

**Ms Martel:** Can you tell me, Gail, when there might be some kind of conclusion to the negotiations?

**Ms Ure:** I can't say when the conclusion will be. I can commit that there will be a meeting within the next two weeks.

**Ms Martel:** OK. May I just make this point? We've just received notice that one of the communities where the satellite is in—I understand, although I have not confirmed, that one of the physicians is closing his practice. There is already a waiting list for this particular CHC. The closing of a physician's office in an adjacent community is just going to aggravate that situation. So it really would be very helpful if we can move this along, because there are going to be a number of people who will be without a family physician all of a sudden as soon as this happens.

**Ms Ure:** Thank you for the additional information, and we can speed it up.

**Ms Martel:** You know that it is an area that is underserved already, so we're working from that.

**Ms Ure:** We're aware of that, yes.

**Ms Martel:** Can I just go back to the more general issue, Minister? I hear you clearly say that you're supportive. The report that was done for your ministry certainly shows that CHCs were effective in dealing with all of the benefits from primary health care reform that you would want to realize and that I would want to realize. What I don't understand is why, if you say you're supportive and your predecessors have said they're supportive, there just has not been any kind of decision to expand the CHCs essentially through the whole piece of your government. There may have been two community health centres—

*Interjection.*

**Ms Martel:** —three that have received funding. That's far, far short of both the expansion that was underway under the Liberals and then under us. I really don't understand what the problem is here in terms of actually getting this process underway. If you believe they have a place in terms of primary care reform, when are we going to see some funding so that actually becomes a reality?

**Hon Mr Clement:** Certainly it's my intention to continue to support the roles that CHCs can play in our primary care system and certainly I'm working with them to make that a reality. So there really isn't much that we're disagreeing on here.

**1550**

**Ms Martel:** But can I be clear what you're working on? In the proposal they submitted to the ministry in the fall of 2000, the association clearly developed three different phases of construction. They had a number of communities that could be up and running in six months—that was by March 2001; that's how far back this goes—a number of communities that could be up and running by the fall of 2000 and March 2003, and then the third set of communities that could be up and running by the fall of—no, that's a continuation—by the fall of 2000



and March 2003. So they actually broke down for you those communities that could be up and running very early on and those that required additional work. Are you even working with that as a starting point to get this underway?

**Hon Mr Clement:** We were certainly apprised of all the various information and where each one is in the development of their plans. We see them as an integral part of what we call the family health networks and primary care in our province. They will have an appropriate and important place.

**Ms Martel:** Soon?

**Hon Mr Clement:** Well, you know, I'm not the Minister of Finance, but I would say that it's certainly part of our government's strategy to deal with this issue.

**Ms Martel:** I understand you're not the Minister of Finance, but I would say you're investing a whole lot of money on family health networks—\$100 million and \$150 million on technologies—and you're not much further ahead.

**Hon Mr Clement:** I disagree with that assessment.

**Ms Martel:** I'm not being critical of you. I'm not sure the OMA wants to be much further ahead—

**Hon Mr Clement:** I have to disagree with that.

**Ms Martel:** —but you could spend some money. For \$115 million, you would have 65 new community health centres that would service over a million people with other health care providers—not just docs, but other health care providers—using their scope of practice to provide primary health care: treatment, prevention and promotion. I think there's a better way to spend some of that primary health care money that you're getting from the federal government.

**Hon Mr Clement:** We're all converging on the same point. Part of family health networks is to get the family docs off fee for service—the ones who are there now, the ones who are practising now. You cannot abandon that approach. It will not solve the problem to do just what you are suggesting. We need an integrated solution that involves the CHCs, and in many cases it might involve an expansion of CHCs in particular service areas. But that is not going to be the Holy Grail on this. You have to get the docs off fee for service.

**Ms Martel:** But the doctors who are part of the CHCs are on salary. That is part of it as well, right?

**Hon Mr Clement:** But they're not every doctor in every community.

**Ms Martel:** But if I might, Minister, the reality is that over the last number of years you have put all your eggs in the one basket. Essentially, all of your eggs on primary health care reform are in the family health network basket. You have not allocated a single new cent even in this estimate for an expansion of CHCs. That's the reality we're dealing with.

We would feel you were more committed, I guess is the best way to describe it, if there was actually some money attached and money put into the estimates to make this happen. But right now it seems that all the

money you have for primary health care reform is tied up in family health networks.

**Hon Mr Clement:** OK.

**Ms Martel:** So I encourage you to please fund some more CHCs as soon as possible. I would be interested to get the information back about the one in my own riding.

I would like to deal with some issues around public health. I do have some questions about West Nile, despite your detailed description before, and I'll get there.

The first one has to do with a request for funding that has been made by the Association of Local Public Health Agencies. Last fall the association made a request to you for about \$170,000. The estimates at that time showed an allocation of \$150,000.

**Hon Mr Clement:** Do you mean million?

**Ms Martel:** It's \$150,000.

**Hon Mr Clement:** For a particular—

**Ms Martel:** To fund the association itself, to fund ALPHA itself. They were told no and that there was no money at the time. When we did check the actuals, it appeared that no funding went out, even though it had been budgeted. Again this year I see in the estimates that a line item of \$150,300 appears for the Association of Local Public Health Agencies.

**Hon Mr Clement:** That could be going to their conferences; I'm not sure.

**Ms Martel:** They also have their funding letter in to you as of August 19, 2000, to Dr D'Cunha, asking for that grant. I'm wondering if it is going to be provided to them this year.

**Hon Mr Clement:** Dr Kurji?

**Dr Kurji:** As you know, the Association of Local Public Health Agencies also receives funding from the local boards of health. In fact the ministry, through local boards of health, provides 50% of the cost sharing. So in some senses it would be incorrect for one to say that the ministry is not supporting them.

In terms of various years in the past, in 1996-97 we provided them with \$250,000. Around the year 2000 they were charged with the responsibility of assisting local health units with Y2K, issues and again they were receiving a fair amount of funding there. Subsequent to that, as more and more of the costs have been picked up by local boards of health through the membership fees they charge the local boards of health, and the local boards of health receive funding from the ministry, we have reduced the amounts we have been sending to ALPHA.

At the moment we do have \$150,000 budgeted in case there are services or projects that we want, in which case we have the ability to contract with ALPHA for the delivery of those services.

**Ms Martel:** It sounds to me like it's no. Are you telling us no?

**Dr Kurji:** We have the amounts budgeted. In the event that we do require specific services from ALPHA, we would flow those dollars for those specific services.

**Hon Mr Clement:** It's kind of a place-over, I guess.

**Ms Martel:** What specific services?

**Dr Kurji:** In the event there are certain things that need to be organized and we require external agencies to be able to deliver those—in the past we have looked to OPHA, which is the Ontario Public Health Association, and we have also looked to ALPHA with regard to the provision of those services. By and large we are trying to manage our finances in a prudent way, and if we don't get value for money we won't flow those dollars.

**Ms Martel:** I'm quite curious about this, because I was under the understanding that for a number of years now they had received a direct operating grant from the Ministry of Health. Is that incorrect? I'm not talking about what they receive at the local level; I mean from the Ministry of Health.

**Hon Mr Clement:** For ALPHA?

**Ms Martel:** Yes.

**Dr Kurji:** Again, for a number of years we have actually been providing them with dollars, and as I indicated, in the year 2000 a larger amount was provided to them because of the Y2K issues. Over the years their dues from local boards of health have gone up; in other words, their membership dues from local boards of health. In terms of the ministry's funding of local boards of health, we fund up to 50% of local board of health budgets. So in that sense we are already funding ALPHA.

**Ms Martel:** Can I ask this question: you say you get value for money. Last year in the estimates, and I'm looking at 2001-02, page 159, there was a line item of \$150,300. Are you saying they didn't get this last year, even though it was budgeted in the estimates, because they didn't provide value for money or didn't provide you with some specific work on specific issues? Is that what you're saying?

**Dr Kurji:** What I would be saying—and I would have to check exactly what services they provided for us last year, but the monies would have been given to them for specific services provided to us. That is basically the way we do business with most of these external agencies. If there are specific things we require—for example, the OCCHA, which is an accreditation agency, does specific jobs for us that we may not be able to do within the branch or we may consider them to be the appropriate agency to do a better job—then those dollars are available for the provision of those services. So we have the ability to provide ALPHA with the dollars, should the services we wish to have be the ones they would provide.

**Ms Martel:** Can I be clear that this has nothing to do with their being vocal about issues like Walkerton. Tell me this didn't happen as a consequence. They have been receiving support from the ministry on an ongoing basis for quite some time now, as I gather; I could stand to be corrected. Suddenly last year, even though in the estimates it appears as a line item, they get a letter saying the ministry is unable to commit to providing the supporting grant to ALPHA at this time, period, point final—no other explanation than that. I'm given to understand, as I listen to you, that that might well happen again in relation to their August 19 request for funding, which again, curiously, actually appears as a placeholder in the budget.

Can you confirm that this doesn't have anything to do with their being vocal in a way that might have been critical of the government around Walkerton or other public health issues?

**1600**

**Dr Kurji:** I can assure you that that is not the reason why any of these decisions have been taken. In fact, in public health we do encourage advocacy. That is one of the roles of public health practitioners. That would certainly not be a reason now. Without going into a lot of detail, sometimes if there are perceptions about non-delivery in certain areas, then perhaps we may be a little guarded with regard to proceeding in certain areas. But in this case, as I indicated, the money is there but the decisions haven't been made.

**Ms Martel:** And when will the decision be made, so they will know?

**Dr Kurji:** Should we require a service that requires ALPHA to be delivering it and if we feel that that is a prudent use of the dollars, then that decision would be made in a favourable way.

**Ms Martel:** But do you have no timeline for letting them know about this?

**Dr Kurji:** At the moment, we haven't identified any particular needs that cannot be addressed by other means.

**Ms Martel:** One question on West Nile: I'm given to understand that some public health units have come forward to say the ministry is insisting that the \$9 million be spent this year. Is that correct: the \$9 million that was allocated in August?

**Hon Mr Clement:** For this year's budget, that's right.

**Ms Martel:** They're quite concerned that this, given that adult mosquitoes are mostly dying at this point, is not going to allow them to do a great deal of good work with respect to mosquito control, and that they may have actually asked you to have that carried over to the next fiscal year so they can get a start early on in the spring with respect to some of these programs. Is that correct and is that something you are open to considering?

**Hon Mr Clement:** I haven't heard that specifically. Maybe Dr Kurji has heard that. But I can tell you that we will allocate whatever needs to be allocated to do what we can do. In that sense, we're talking about public health here, and we're not going to—

**Ms Martel:** But if it's not allocated early enough on, and the \$9 million wasn't allocated till August, it's a little bit difficult for them to undertake a larvicide program or other things. What they're asking you, because they're not guaranteed that this money is going to come next year, is that some of that actually be held over until next year so they can do some of those things early on, when the mosquito season actually starts.

**Dr Kurji:** We certainly are cognizant of that particular need. There is a difference in the financial years. The ministry's financial year ends March 31 next year. The municipal financial year ends December 31. The monies have been identified in the ministry's financial year. So in effect, the right way of thinking about this



would be that the dollars would be available for the beginning of the municipal budget.

**The Chair:** Thank you, Doctor. We have to move on. I'll turn to Mr Miller and the government caucus.

**Mr Miller:** I have some questions to do with alternative funding arrangements for emergency rooms. I'd like to start off by thanking the minister and his staff for assisting with some challenges in my riding recently to do with coverage of an emergency room. I'll ask specifically about alternative funding arrangements. I know you're looking at alternative funding arrangements; I hope that's province-wide, not just for my riding. I also wonder whether there are elements of flexibility being incorporated into these alternative arrangements for emergency room physician coverage for items such as seasonal volatility in the numbers of people coming. Of course in Parry Sound-Muskoka we have huge increases in the number of people through the summer season. I wonder if that's being considered when you're looking at alternative funding arrangements.

**Hon Mr Clement:** Thank you for that. Of course we're aware of the seasonal aspect of some of the areas of Ontario, where you get those huge population spikes. It is something we're cognizant of when it comes to our general funding issues with respect to operational funding. But if I can have Dr McCutcheon deal with the alternative funding arrangements and where we are on that, perhaps that would be helpful.

**Mr Miller:** That would be.

**Dr McCutcheon:** The alternate payment arrangements for physicians cover a very wide perspective of physician care. You alluded to emergency room activity; that's just one segment of the alternate funding arrangements we have in place. The alternate funding arrangements for emergency rooms cover a full spectrum of care, from the very busy emergency departments to the ones that are, as you say, seasonally busy or ones that are remote in terms of distance and where emergency service must be provided and yet the volume of service is not enough to support on a fee-for-service basis the physicians involved.

This ER AFA program has been extremely successful and has been taken up by many emergency departments. There is built into it a flexibility that recognizes the volume of patients seen and the complexity of those cases as well. We are sensitive to the annual volume. Now, if there are some specific areas in which physicians have not been able to take up an ER AFA for whatever reason, we always go and seek out what the reason is and endeavour to make adjustments to ensure that we are, first of all, still consistent in the program. We don't want to have a whole lot of variation, because if we do, we won't have a program. We ensure we have consistency. And there are still some issues we are endeavouring to address, particularly in the north where the arrangements are still a little difficult. Sault Ste Marie is one of the areas in particular where we are looking at some additional enhancements to the program.

**Mr Miller:** Will the alternative funding arrangement also be looking at on-call remuneration and anaesthesia services as well?

**Dr McCutcheon:** There's the hospital on-call funding arrangement that was part of negotiations with the OMA at the last contract, and that has been fully subscribed. There are many physicians now receiving on-call funding for being on call, both within hospitals and on call from home for hospital care.

There are some additional issues with regard to anaesthetists in particular because of a relative shortage of anaesthetists. We're looking at arrangements there where an alternate funding plan is developed for anaesthesia. Examples we've already put in place would be some the minister alluded to earlier this morning, and they were in pediatrics, in both the north and the south, and other arrangements in some other institutions as well.

**Mr Miller:** What about attracting locum physicians?

**Dr McCutcheon:** Some of the alternate funding arrangements, particularly for emergency departments, have some locum arrangements built into them. But we've also got locum arrangements built in through different locum programs so that locum availability has been significantly enhanced. There are also some other items that we're working on to try to still further extend the locum program, but we're just in the development phase at the minute.

**Mr Miller:** With this new alternative funding arrangement, the hospitals in my area, a couple of them at least, end up using operating dollars to bid up the funds available for doctors, to try to retain doctors and attract doctors. Is that something that will eventually be illegal?

**Dr McCutcheon:** Certainly the directive the ministry has given is that funding for clinical activity should come out of the OHIP budget and that funding for physicians' clinical activity will come out of the OHIP budget. At OHIP, we're looking at different arrangements so there can be some equality across the system. The last thing we need to do, particularly in a shortage situation, is bring about things that increase dissatisfaction. If there's inequity in terms of remuneration, that's a dissatisfier that could cause people to move from one place to another.

**Mr Miller:** Certainly, and it must make it hard for the hospitals to balance their budgets as well, when they end up having to use up their operating dollars to bid up these prices.

**Dr McCutcheon:** It certainly does.

1610

**Mr Miller:** I have a question on the budget item on page 132 to do with district health councils. I see the actual for 2001-02 is \$18,233,000 and the estimate for 2002-03 is \$9.4 million. Is there some reason for that?

**Dr McCutcheon:** Gail?

**Ms Ure:** Yes. Part of their budget is directly from base allocation estimates. The remainder of their budget comes from those areas they provide supports to. They were very helpful in looking at issues with respect to long-term care and also mental health. So part of the

mental health budget and part of the long-term-care budget, both community and facilities, is attributed to the district health council, and you'd see that reflected in the actual expenditures in those sub-lines.

**Mr Miller:** So that was a one-year—

**Ms Ure:** No, that's a continuing one.

**Hon Mr Clement:** It's another one of these cases where different parts of the budget have different segments appropriated to a body; in this case, the district health councils.

**Mr Miller:** Also on the same page I see a large increase in funding for Cancer Care Ontario. It looks like the estimate for this year is \$312 million, up from \$281 million. Obviously the government is placing an emphasis on cancer care and treatment.

**Hon Mr Clement:** Yes. It's one of these unfortunate things where the need is there. Part of this, which I announced in terms of the \$72-million extra funding overall in various aspects of cancer care, is increased slots for radiation therapy and chemotherapy. Part of it as well is the introduction of new medications that are coming on-line for the alleviation of cancer and the eradication of it in patients. All of that represents part of the budget.

In addition, of course, there's the capital side of the budget. As we proceed with building the new regional cancer centres—the one in Oshawa is going ahead; the one in Peel has reached the final stage of negotiation and I think we're moving ahead on that. Those are a different part of the budget.

Then there's the research part of the budget, which I suppose is more appropriately part of the enterprise, opportunity and innovation ministry but certainly will have a very positive impact on our ability to research further therapies when it comes to cancer.

I don't know whether the deputy or assistant deputy—

**Mr Miller:** So the research part that shows here, the \$4.6 million—there's a lot more being spent on cancer research in Ontario through other ministries, is what you're saying.

**Hon Mr Clement:** That's my understanding. It was a budget commitment—

**Mr Miller:** I seem to recall it's something like \$30 million—

**Hon Mr Clement:** Fifty million, I believe.

**Mr Miller:** Fifty million? Much more substantial.

**Hon Mr Clement:** That's right.

**Mr Miller:** I'll pass to Mr O'Toole.

**Mr O'Toole:** Minister, I really appreciate your persistence and diligence here today. I want to commend you on an open and—I find you that way all the time, and it's just good to see that as a public view, knowledgeable and accessible.

I had a question that was of a more personal nature, but it's been brought up in a brief way, with respect to the community mental health reports. I want to thank Jean Achmatowicz-MacLeod, who has worked at the Whitby site; I think they're in the process of filing their report. But that isn't exactly the question.

I'm really talking about the divestment of the mental health facilities. I know the Whitby mental health board has struggled. All the members from Durham have met on several occasions—it doesn't just serve Durham, of course. I think there are 20-some MPPs involved. The board is quite frustrated. It's my understanding that they've got the transitional plan, and that transitional plan is money. There are a lot more complicated issues around it than just the severances and all the other kinds of stuff, which really don't, in the longer term—when you move toward the public health kind of thing, the community hospital situation or whatever board arrangement it is. Could you perhaps give me some sort of indication of where the Whitby mental health facility is in its divestment? What do I tell the board that's either there or leaving?

**Hon Mr Clement:** I will refer it at one point, but let me just state that we're quite concerned about proceeding with the final divestments and movement into community mental health. We have had great success thus far in various communities in that regard. I believe that four of the six have been completed. Whitby is perhaps one of the two largest that are yet to go. We're now in the stage where we're getting all these reports and recommendations on community mental health implementation, which I'm quite hopeful will help us move the process along with respect to the Whitby situation. I understand the frustration in the community. I share that and, from my perspective, want to move ahead as quickly as possible.

**Mr Stolte?**

**Mr David Stolte:** Dave Stolte, director of the health reform implementation team. Just to give a status update on the divestment process, there are six divestments that have occurred to date. There are four remaining: Thunder Bay, North Bay, Whitby and Penetanguishene. We're continuing our divestment discussions with the receiving hospitals in order to accomplish as much as the upfront work as possible. We are having communications with community advisory boards and as recently as yesterday met with community advisory boards and have heard from them that they're anxious for the divestments to take place.

**Mr O'Toole:** I appreciate that. On a slightly different topic, I have had the opportunity to speak with board people from time to time and I'll convey that it's still moving forward somehow in the next year or so.

**Hon Mr Clement:** They've been very patient, and I recognize that. It's been a longer process than we all envisaged starting out, but I remain hopeful that with health reform implementation and the emphasis on community mental health that that represents, we can continue to make progress.

**Mr O'Toole:** It's a terrific resource and a great facility, but it has had its problems.

I'm going to move to a slightly different topic in the next couple of minutes, just to put on the record—you sort of asked me to look at a few things. One is the broader picture of technology in health care, specifically under the umbrella of smart systems for health. I sort of



see it as the future of health care. As I said earlier, a couple of the demonstrations I've witnessed give me every confidence. Is that something that's been well received by the actual doctors and the front-line people?

Distance medicine is a perfect example—we talked about that earlier—where I can see all the infrastructure and technology in a videoconferencing setting at the other end, where the specialists really don't have to be there. They could be displayed quite readily. Is that a disincentive for remote communities that may not be able to build the human infrastructure because the human infrastructure will reside where the technology resides? They can do the diagnostics on-line. It's just incredible what they can do.

**Hon Mr Clement:** I think it's actually quite the opposite. My experience has been that in rural, remote and northern communities, for instance, the accessibility to network health information and the distribution of some of that health information, of course within a privacy framework, is actually an incentive to continue to remain in your profession in your chosen community.

There are lots of advantages in northern and rural Ontario—a standard of living and quality of life—that sometimes were not enough to keep those medical professionals in place. With the use of the IT you have seen, they can feel part and parcel of their profession. They can feel they are getting continually educated and updated. They can feel that with a click or just a computer screen away, their colleagues, people with specialized skills that were unattainable to them before, are now within reach. It provides a comfort level that allows our medical professionals to stay on top.

**Mr O'Toole:** I have been privy to watching collaborative conferencing on-line in real time and, as you say, consulting with the very latest specialists. In fact, it would be called post-doctoral education because it's real time, real application. It's part of that I'm talking about, because the public, including myself and members of caucus, maybe aren't aware of those innovative strategies that you have really pioneered and brought forward.

I think we need to communicate and set up a communication plan to keep the public up to speed and bring all of us along to make sure that we have a comfort level with emerging, innovative strategies that are part of the solution; not just more docs, in the traditional mode, but integrating the technology and the human resource to retrain and improve health outcomes and diagnostic tools. This is one of them that I see. I wouldn't presume to imply that I know very much about it except that I have had the privilege, thanks to you, to see several applications at the site, to work with your staff, and to put on the record that I am impressed with what that means. But I believe that the innovation is clearly there. There are some results I can see, that sometimes the culture is lagging a bit behind, taking that next bold step.

**The Chair:** Two minutes.

**Hon Mr Clement:** May I just comment on that? You're absolutely right. There is starting to be a lot of attention paid to this. Time Canada, either this week or

next week, has a whole supplement on Canadian technological developments in medicine, where a lot of our hospitals in Ontario and other health facilities and practitioners are being showcased. That's all good news. We could probably have a whole session of this or some other standing committee where we talk about some of these issues: reducing medical error with an electronic medical record; having bar codes on medications so that if the bar code doesn't match the bar code of the patient in the hospital you don't have access to the medication. So all of a sudden you've got a way to double-check to make sure that that kind of medical error doesn't occur. There are all sorts of patient safety issues that will be helped with technological advances. It really is now occurring at quite a pace.

**Mr O'Toole:** Just on one final issue, the health privacy issue which you alluded to earlier: the health privacy issue is of a complicated nature in the fact of how far down do the rules apply. I've heard the federal Privacy Commissioner speak and I'm somewhat troubled sometimes when I hear his prescriptive manner, but at the same time I'm sure it came up at the first ministers' conference that there needs to be a national plan, because whether it's communicable diseases or other things, we need to be sharing patient records and other kinds of medical records. Are you confident that the health privacy forum that's going on—there's a debate provincially, of course. Is there going to be a national kind of standard or protocols?

**Hon Mr Clement:** There certainly is some evidence that the federal government wishes to play some form of role in this. Some of it might actually be positive in the sense that one of the things they've got is this Canada Health Infoway network; \$500 million allocated to this and we have yet to see a penny, really, come out of that. But if that actually gets going that will be very helpful.

**The Chair:** Minister, your time is up. I also would like to offer you a five-minute break. It's been a long day. With the indulgence of everyone else, before we start the next round, maybe five minutes to freshen up a little bit and resume. Is that all right?

*The committee recessed from 1624 to 1633.*

**The Chair:** Minister, welcome back. We are now ready to start with the official opposition.

**Mrs Papatello:** I'd like to ask the minister some questions about hospital funding. Specifically on page 71 of the estimates, you've indicated you're showing an 11% change in the operating of hospitals. I'd like to know how you arrived at that particular amount to be increased to the operating of the hospitals.

**Hon Mr Clement:** It's done on a year-to-year basis is the quick answer, and perhaps somebody can elaborate on that? John McKinley, acting executive director, health care programs division. Welcome.

**Mr John McKinley:** Thank you. The very simple response to that is that there were two components of that increase on the year-over-year. One of it is the announcement that was made in the previous year—the \$300 million that was made last year was annualized, plus the

\$645 million that was announced this year. So those two components make up the—

**Mrs Papatello:** Did you just pick that out of the air?

**Hon Mr Clement:** No, of course not.

**Mrs Papatello:** Did you say, "I think we'll throw in 300 more," and then you said, "Let's throw in another six"? Where did the number come from? How do you arrive at the number?

**Hon Mr Clement:** The number is a result of our careful review of the operating plans of each hospital, which are pored over by staff to see what their trends are.

As you may know, there is a new hospital funding formula, which is in the process of being implemented bit by bit, that takes into account acuity levels, population growth and other factors that help us work out the appropriate funding. I think that's a synopsis of how we do that.

**Mrs Papatello:** So it's a meticulous, line-by-line review of each hospital's budget requests?

**Mr McKinley:** No. It doesn't work totally from budget requests. Also, there are a series of programs identified that are provincial programs that we work with, groups like the Cardiac Care Network of Ontario, to establish what targets of services are going to be, and they are funded from a provincial perspective as opposed to just on what the hospitals submit to us.

**Mrs Papatello:** It's just that there is, as I said earlier in response to one of the government MPP's questioning around hospital money—I had suggested that 70% of the hospitals are actually in deficit. So it's going to be hard to hold them to account and not give them a CT because they're in a deficit while 70% of the hospitals are in deficit. I need to correct the record because in fact 75% are in deficit, not 70%.

I'm wondering how you determine that there are so many that are underfunded. The amount you have allocated really doesn't resolve the debt situation. So money you're giving them for operating will in fact be used to give money to the bank, essentially, for finance charges because they're having to finance their own debt.

**Hon Mr Clement:** Could I just put this in perspective to help you understand what the situation is? There is an accumulated sort of system-wide number of about \$300 million from last year. You're correct about that. Most of the deficits of most of the hospitals that are in deficit are fairly modest. There are some exceptions to that—four to six exceptions to that, depending upon how broad you want to cast the net—and some of those are hospitals where there are operational reviews going on, where clearly something is not working right either in management or in the funding formula, or something has gone wrong where the deficit has ballooned.

So if you look at the actual funds involved in those cases—that is over half, as I understand it, of that \$300-million number—those are part of a separate review and a separate collaboration with the hospitals to try to fix something that obviously has gone wrong along the way.

I wanted to put it in that perspective for you because I wouldn't want to leave you with the impression that each

hospital faces an equal amount of deficit. That is not the case. Indeed, the alarming numbers are in a relatively small number of hospitals.

**Mrs Papatello:** Yes, and I guess what we're saying is that based on Ontario Hospital Association reports, whose job it is to do this review as well of all their hospitals, etc, they're estimating half a billion dollars—that was 2002-03 net operating underfunding—and a working capital shortfall of over \$1 billion. So we're talking about significant underfunding, and I wondered how you decided that you would arbitrarily, or by virtue of—and you've answered the question—a meticulous review of their hospital budgets—

**Hon Mr Clement:** Certainly, their operational requests are reviewed that way and, as I was reminded, we also have priority programs. I think we should put on the record that the Ontario Hospital Association praised the Ernie Eves government for their hospital-funding announcement of this year, a 7.7% increase from last year. While there are issues that have to be resolved and can be resolved through our multi-year funding initiative, I should state for the record that there was a recognition by the hospital sector of the immense increase in funding that was able to be delivered this year.

**Mrs Papatello:** I'll tell you, Minister, the Ontario Association of Community Care Access Centres also praised the legislation that eliminated them, just to put those comments in perspective in the politics in Ontario today.

Let me tell you that in fact—

**Hon Mr Clement:** More evidence that we're on the right track, I guess.

**Mrs Papatello:** I wish you and I both had more time, actually. There is information coming to us from the Ontario Hospital Association that there is not a minimum 3% increase in the total operating funding for hospitals across the board, which indicates that the monies you've allocated, in fact some are getting more, some are getting less, and whether it's by population growth in particular areas, whatever it is, there are many hospitals that are not getting even 3% of an increase to accommodate local economic pressures. So we have some communities who won't see even 3% of an increase.

**Hon Mr Clement:** It's curious you should use that number, because you know that everyone is getting at least 2%.

1640

**Mrs Papatello:** Also, just based on your answer previously, where you said there's a meticulous review, line by line, of hospital budgets before you come up with the \$645 million, I think you said, and \$300 million from last year, why has \$98 million, then, not been allocated to date?

**Hon Mr Clement:** There is a good answer for that, and we are just about to provide it. Go ahead, John.

**Mr McKinley:** There are a number of programs that do not have final estimates of volume or service requirements that are identified at the beginning of the fiscal



year and so that we can plan exactly which organization will be doing those particular volumes.

For example, we have a number of HSRC directions that we are implementing across the province that are expanding the services in rehab and complex continuing care. We are in the process of negotiating the end budgets for those particular organizations right now. When we complete those negotiations, we can then allocate the funding. We've allocated it by a global amount, and there is still \$98 million to be cash-flowed. But it depends on the results of the negotiations on the services that the individual hospitals are going to provide.

**Mrs Pupatello:** There's been an alarming trend with this current government that a lot of the money is allocated in a budget and actually never goes out the door. And in the case of the health ministry, where it comes to capital costs borne by these hospitals—and they're incurring major debt as a result of the capital changes of local hospitals, restructuring etc, frankly many cases being foisted on them by government policy, and then the debt being incurred by the hospital and then an incredible delay in the money actually leaving the ministry and arriving at the local community. That debt charge is being borne by the hospitals' operating. So it's frustrating to watch many hospitals using operating dollars that should be going to patient care going to the big banks here at Bay Street and King Street. That's tough to watch.

Let me move on to a couple of questions to table for information from the ministry. I'd like to have the new ambulance response time standards that were being developed, and if they are available to us, we'd like to have them tabled. Also, how many communities are meeting this new standard in ambulance response times? There was some of that information available, outdated; we'd like to have the new standards that the government was bringing in.

**Hon Mr Clement:** Just so I understand, before we actually funded for improved response times, you want to know how many communities are not meeting the response times before we've spent all the money to improve response times?

**Mrs Pupatello:** No, we're asking you what the new response time standards are, and I'd like to know which communities are meeting them now.

**Hon Mr Clement:** Right, before we've actually flowed the funds so they can meet the response times?

**Mrs Pupatello:** The history has been that you downloaded the ambulance responsibility to another level of government, and then you mandated a standard that you didn't even meet when you were responsible for it. So—

**Hon Mr Clement:** I'm sure we can provide that information, with that caveat in it.

**Mrs Pupatello:** Let's be fair to all concerned. I would like that information tabled, Minister.

I'd also like to understand what the status of privacy legislation is right now. Much of the advancement of primary care reform, which seems to be your priority,

that's not doing well at all—IT is such a significant part of it. Where is the privacy legislation at the moment?

**Hon Mr Clement:** As you probably know, Minister Hudak is the lead minister for the overarching privacy legislation. There is a significant health care component of that. Certainly it is under consideration by the government as to the timing of the introduction of that bill. So you might want to ask your House leader what he may know.

**Mrs Pupatello:** Is there a significant part of this that deals with health-related issues?

**Hon Mr Clement:** I believe I just said that, yes.

**Mrs Pupatello:** Is there some department individual who's responsible for all of that?

**Hon Mr Clement:** Yes, there is.

**Mrs Pupatello:** And who would that be?

**Hon Mr Clement:** Phil Jackson. Is Phil Jackson here? Phil Jackson is the director of the health information privacy and sciences branch of the integrated policy and planning division of the Ministry of Health and Long-Term Care. Do you have any questions for him in particular?

**Mrs Pupatello:** Yes, and I guess we can ask him, then. I'm sure he's worked on this most of his career, I think, the same piece of legislation; it's been around about 20 years, I think, Minister.

I'd like you to explain the change in the children's treatment centres budget line on page 71.

**Hon Mr Clement:** I'm sorry. Were you going to ask some health privacy questions?

**Mrs Pupatello:** No, I'll take that up with him at another time. I just needed to know who. I didn't know if you had any involvement at all in privacy legislation now that it's in another ministry.

**Hon Mr Clement:** Of course we do, yes.

**Mrs Pupatello:** The children's treatment centres: it appears as though there's a \$3-million loss to that area in terms of funding. Maybe the minister could explain why. That's itemized on—

**Hon Mr Clement:** And that's on page 71?

**Mrs Pupatello:** Children's treatment centres.

**Hon Mr Clement:** Is it page 71?

**Mrs Pupatello:** Yes. I think most of the agencies out there are telling us that the waiting list for treatment for children is—

**Hon Mr Clement:** As you know, if I can await the presence of the individual who might have a more elaborate answer and indicate that our government is proud of our massive infusion of at least \$20 million into the CTC sector, which was praised by the sector as being necessary and appreciated. But now that I've said that little free advertisement, John McKinley is here, the acting executive director.

**Mr McKinley:** The CTC's line was that there was going to be the funding available for the programs that were announced last year. The difficulty we had was in interpreting the timing of some of these things, so the budget may not have been adequate at this time. But we have come up with a plan in-year to make sure we

manage the pressures on the CTCs at this point, fully committing the government's commitment to the \$20-million expansion.

**Mrs Pupatello:** Will any of the children's treatment centres be reduced in their budgets at all?

**Mr McKinley:** No.

**Mrs Pupatello:** OK. I'd like to ask about radiologists in Ontario. We have a significant shortage of radiologists and it's a significant problem. They listened to you announce that you're going to send out an RFP for 20 more private clinics, requiring radiologists, I'm assuming, to run them.

**Hon Mr Clement:** Independent health facilities: are you referring to those?

**Mrs Pupatello:** I'm referring to the RFP you haven't released yet for the private clinics.

**Hon Mr Clement:** For the independent health facilities, right; the independent health facilities that were passed under Elinor Caplan.

**Mrs McLeod:** And changed by the Tories.

**Mrs Pupatello:** Are you going to need radiologists for these facilities?

**Hon Mr Clement:** Absolutely, we will.

**Mrs Pupatello:** Where will they come from?

**Hon Mr Clement:** I think we've got some good news coming down the pipe on that front in the next little while.

**Mrs Pupatello:** So are you aware that there's a current shortage in all the hospitals across Ontario that require radiologists?

**Hon Mr Clement:** I'm aware of the situation, absolutely.

**Mrs Pupatello:** And will you be prepared to see that those facilities that already need radiologists will get them first before you use any of the new radiologists you seem to be finding for these private endeavours?

**Hon Mr Clement:** I think you'll be very positively impressed with an announcement that will be occurring very soon.

**Mrs Pupatello:** The number that the Ontario Association of Radiologists put forward was that we were short 150. Have you found 150 radiologists from outside Ontario?

**Hon Mr Clement:** As I say, I think you'll be very happy in the near future with my response to that.

**Mrs Pupatello:** Well, Minister, you can understand why we'd be so frustrated. First of all, if they come from outside Ontario, you can't seem to get foreign-trained physicians to practise in Ontario. Even if you give them a six-month fast-track assessment, that means they're not going to be available this year. Is your RFP coming this year? You announced it this past spring. So unless you've found a way—one of your predecessor ministers of health said they were going to scour the earth far and wide to look for physicians. In that context, it was oncologists that we were short of. What that minister failed to understand was that even if she found them far and wide, your own policies don't let them practise in

Ontario. So we're back to the issue of foreign-trained physicians.

Now please, this is a very serious issue. The radiologists have told us that we're short about 150. We know that those we speak to personally are working hours that really are fairly inhumane. The working conditions for the staff that work with radiologists are fairly inhumane. I'm presuming that the private clinics you're putting out an RFP for are going to require these same kinds of personnel. What has happened already when you did this model in the private cancer clinic—the people working there work a full-time day in the hospital. Then they get employed part-time and they go to work at nighttime, and they go to work in the private clinic. So you are either driving the same personnel into the ground, because you're grinding them to work and just churn out more hours—I'd like to see if there's any data available through the private cancer clinic that has anything to do with the quality of the outcome for those patients, by the way. In any event—

**Hon Mr Clement:** Oh, I would watch what you're saying, Mrs Pupatello.

1650

**Mrs Pupatello:** But I do think it's important for you to tell us. You told us this past spring you're putting out an RFP for private clinics that are going to require radiologists. We have hospitals across Ontario that are begging for the CTs, that have already fundraised in communities to have them, and you won't allow them. And today you—

**Hon Mr Clement:** That's not true.

**Mrs Pupatello:** You're not allowing two in Parry Sound.

**Hon Mr Clement:** That's not true, I did not say—

**Mrs Pupatello:** You're not allowing one in Lake of the whatever in the Whitby region.

**Hon Mr Clement:** No, that's not true.

**Mrs Pupatello:** The point is, you're going to need radiologists to run these facilities. If you've got some plan to bring 150 in to resolve the current shortage—we already are short. Where are they going to come from, then, to be able to operate in these new facilities?

**Hon Mr Clement:** It certainly is an important question, which I am aware of.

**Mrs Pupatello:** You're just refusing to answer the question, then.

**Hon Mr Clement:** No. I'm saying the answer to the question is that we do have a plan and we certainly will be making that available soon.

**Mrs Pupatello:** Do you have the same kind of plan, this kind of divine intervention, to provide additional staffing requirements to the technologists who are going to work with the radiologists? Are you finding them as well?

**Hon Mr Clement:** It's nice to have divine intervention, but I do try to plan in the absence of that.

**Mrs Pupatello:** Minister, I think you need to be serious about this.

**Hon Mr Clement:** I'm absolutely serious about this.



**Mrs Papatello:** Where are the radiologists going to come from for the RFP process that you announced this spring? You said this spring that a private company can come in and bid.

**Hon Mr Clement:** An independent health facility is quite capable, either in partnership with a public facility or on its own, of delivering excellent quality care to the standards that we expect, and delivering accessible care, because the public in Ontario demands greater accessibility to diagnostic services.

**Mrs Papatello:** I think it's fair to say that the public also demands to know that the Minister of Health looks past the end of his nose before he introduces some new way of doing things; that you recognize as the Minister of Health that we lack radiologists. You want to go headlong into some new area. Where will the people come from?

**Hon Mr Clement:** It's not a new area, Mrs Papatello.

**Mrs Papatello:** Where are all of the specialists going to come from in order to operate the new facility?

**Hon Mr Clement:** Independent health facilities have been operating in our province since Elinor Caplan passed the legislation in 1989.

**Mrs Papatello:** Minister, I think it's reasonable that you be able to sit in front of the estimates committee and explain yourself and not say, "We think you might like the answer that may come in the next six months." Estimates committee is to put you on account for the things you have announced and a budget you are producing.

**Hon Mr Clement:** I am aware of the function of the estimates committee.

**Mrs Papatello:** Well, we expect an answer.

**Hon Mr Clement:** I gave you an answer, Mrs Papatello.

**Mrs Papatello:** I don't think that telling me that at sometime down the road you might have an answer is acceptable in any way.

**Hon Mr Clement:** I don't expect you to agree with every answer I give, but that's the answer I gave.

**The Chair:** Mrs Papatello, your time is up. It is now over to the third party.

**Ms Martel:** Minister, I just have this 20-minute round that I do and then I have to pick up my kids. I know you'll be sorry to know that I can't do another 10 minutes, but someone else will pick that up for me, I'm sure.

I wanted to deal with the public health budget again, if I might. I had two other questions about the estimates that appear on page 118. First, on page 118, under Funding Increases, Safe Water, \$1.3 million: can I ask what that is an allocation for?

**Hon Mr Clement:** If I can rely upon Dr Kurji to give some details on that.

**Dr Kurji:** In February 2002, Ontario regulation 505/01, Drinking Water Protection – Smaller Water Works, came into effect. This regulation is intended to protect vulnerable populations, particularly children, the elderly and those who may be immuno-compromised or institutionalized. Regulation 505/01 primarily applies to

government-funded facilities, social services facilities and educational facilities. There are small communal drinking water systems on private but not municipal water systems.

The Ministry of Health and Long-Term Care is designated as the interested authority for 69 such facilities. The ministry is responsible for providing adequate funding to bring a drinking water system into compliance with the proposed regulation to ensure that each one of these 69 facilities continues to meet the prescribed regulatory requirements as they relate to testing, sampling and reporting on drinking water quality.

The funding will actually support two FTEs for oversight of the Ministry of Health designated facilities. It will also fund for the increased volume of lab tests resulting from the new regulation and funding for local health units to hire staff in response to the introduction of regulation 505.

**Ms Martel:** OK. And that's going to be 100% funded; it's not going to be clawed back at any point; that's what they're going to get as an allocation? You will have to do some work, but also the public health units as well. It's not going to be clawed back. Wasn't this part of the line item last year? You wrote to some of the health units and asked them to give some of the money back for safe water. Is this the same line item that we're talking about?

**Hon Mr Clement:** This is an initiative that is ongoing right now, so there's no reason to claw it back.

**Ms Martel:** All right. The same, two down, with meningococcal immunization vaccine. It would have to be bigger.

**Hon Mr Clement:** I know.

**Ms Martel:** It would have to be a lot bigger to do what I want it to do, but I'll get to that too. I'm just curious about what that is funding actually.

**Hon Mr Clement:** As you know, based on the recommendation of a local medical officer of health, if there is a need to vaccinate an area that has been touched by meningitis, we do have a line item for that, and I'm presuming that's what this line is about.

**Dr Kurji:** That's correct, Minister. In fact, as the minister has articulated, what this addresses is actually two things. One is outbreak control, which is one of the older NACI recommendations. So the vaccine is available for control of outbreaks. In addition to that, we have implemented one of the other NACI recommendations, which is really to provide immunization to close contacts and household contacts.

**Ms Martel:** People who have contracted meningitis already?

**Dr Kurji:** That is right.

**Ms Martel:** Just while we're on meningitis, Minister, this is a question for you. I have been asking you for a fair amount of time now about a province-wide program.

**Hon Mr Clement:** You've been quite relentless, actually.

**Ms Martel:** I saw the correspondence that indicated you were approaching the feds on this and you really wanted to see what the federal government would do

before you moved forward. I've made the argument, which you know, that two other provinces have gone ahead on their own and done something about that. Two points: I guess I'd have a question about whether you have any other news from the federal level that they are prepared to participate. I also want to raise with you the potential of a program that would be ramped up or scaled down, depending on how you look at it, that I think is well achievable at least for the highest risk population.

**Hon Mr Clement:** It continues to be a topic of conversation at the highest level with the federal government, with my counterpart Anne McLellan, and that continues to be the case given the NACI recommendations or findings. Certainly in this country we have had experience with national campaigns. The polio campaign was a national campaign. Paul Martin Sr was the one who initiated the polio campaign. When we have a national issue of public health, which is what NACI is supposed to concern itself with, it stands to reason that the federal government would come to the table if they identify a public health matter that they wish to be dealt with. We have yet to see that, unfortunately.

**Ms Martel:** I understand that, but the province of Ontario made a determination that the flu shot campaign was very important, and that is not a national program. You're not receiving any federal funding to do that, and you're spending \$44 million. I think meningitis vaccination is a public health issue. Are you prepared under any circumstance to look at going at it alone, as you did with the flu shot campaign?

**Hon Mr Clement:** I think the short answer is yes. If there is a conclusion clinically drawn by public health officials that I actually feel I'm required to listen to, that the only way to deal with a severe situation is through a province-wide vaccination program, then I think I would be delinquent in my duty if I did not take that advice.

**Ms Martel:** I'm not referring to a severe situation, but you are getting resolutions from a number of public health units now, I think from a May meeting that was held, urging you to look at vaccination not only for meningitis C but for at least three other programs, so that that vaccination would become part of the routine vaccination for infants. This is not just I talking about this now. I know that resolution was passed at ALPHA, and I know that a number of individual health units, like my own, have written to you to encourage you to do the same thing. So there is a movement of public health units that feel this is a public health issue and that you should consider an extensive vaccination program. They're citing not only meningitis; they're citing at least three others. I've been talking to you very specifically about meningitis. Is that a group of folks you're prepared to respond to?

**Hon Mr Clement:** Again, it's an issue that I'm apprised of. There are differing clinical points of view of need and efficacy, which I also have to take into account. In terms of the NACI recommendations, if the national government feels this is a priority, then they know what

to do about it. I don't know, Dr Kurji, if you've got any other comments on this issue.

1700

**Dr Kurji:** Basically, with respect to the meningococcal immunization program, there are certainly provinces like Alberta and Quebec that have introduced the immunization program. I think Alberta certainly has introduced it. But we have to really examine the background. Alberta was experiencing a lot of outbreaks in the Calgary-Edmonton corridor. So they started out implementing the previous NACI recommendation regarding outbreak control. In so doing, they immunized about 50% of their population. In Quebec, Quebec City and Montreal were really experiencing a lot of outbreaks. So again you had another province where about 50% of the population got immunized as a result of outbreak control measures. With the ongoing outbreak activity, it made more sense from a cost-benefit standpoint to proceed and immunize the rest of the population.

With respect to other provinces, Ontario being included within that, the levels of activity, certainly in Ontario, have been lower than those in Quebec and Alberta. What we have predominantly been arguing at the federal table, through the minister, is that just as there is inequity in the distribution of vaccinations across the country—for example, Ontario provides universal immunization for the flu where other provinces don't, and other provinces may provide other vaccines that Ontario may not. With the desire that this be done in an equitable way across Canada, the minister has engaged in conversations with his federal colleagues. NACI is actually a national committee which reports to Health Canada and to the federal government in that regard.

**Ms Martel:** I know that. Alberta's program will now become routine. Yes, there was an outbreak and they dealt with that and immunized a large percentage of the population. But their program is now going to be a routine program for infants during regular immunizations, so this will be an ongoing program. Ontario could even look at that. That's obviously not what I've been asking for, but even if they did, that would be a cost that would be even less than your flu shot campaign, if you wanted to look at newborns, for example, or up to the first year, or even if you included first year and down. There are a number of ways that you could approach this if you wanted to decide this was an important public health issue for you as well. You might wait for the feds, and you might wait a long time. I'm suggesting that infants or young adults shouldn't have to die in this province from a disease that we can control.

**Hon Mr Clement:** Based on my experience in the last year or so, it's not confined just to that group. It's a case, and a case can be a high school student or a young person in elementary school. It certainly is not confined to newborns. Each case seems to be different. Of course, we're dealing with a disease that sometimes is more effective than others in terms of our population. That's the affliction we're facing. There might have been cases



of newborns in the last year—I don't know—but my recollection is that it wasn't newborns.

**Dr Kurji:** The minister is quite right with regard to the different age distributions. One tends to get it in the under-five age group and also in the young adolescent age group.

With respect to Alberta's having immunized 50% of its population because they had to do so to control outbreaks, it then becomes cheaper to proceed and immunize everybody else. So the cost-benefit ratio is somewhat different. When you look at other provinces, they have to immunize the whole of their population, and hence the cost-benefit issue is somewhat different. I guess that was the point that was being made earlier.

**Ms Martel:** I understand that. It would be good to start somewhere. Even in Alberta they will now have a regular program for infants every year. Michael Maxwell was 17. That wouldn't have helped Michael Maxwell. Having said that, there is a vaccine, it has been recommended, it is safe and right now it is cost-prohibitive for many parents, if they even know about it, because regrettably there aren't large public education campaigns about the need to get this vaccine. I just think it would be responsible of us to look at a program, even on the scale of Quebec, even looking at Alberta, even looking at infants, that would at least get us started.

**Hon Mr Clement:** OK, I hear you.

**Ms Martel:** Two other questions. This was with respect to tobacco tax, because in your opening remarks, Minister, today you talked about a focus by the ministry on wellness and health promotion. You talked very specifically about the impact of smoking, that it's the leading preventable cause of premature death, disease and disability. If I understand correctly from the budget announcement, Ontario will take in about \$1.3 billion by adding a \$5 tax on a carton.

**Hon Mr Clement:** I don't think it's that high, actually. No, it would not be that high.

**Ms Martel:** I thought it was.

**Hon Mr Clement:** I think it would be closer to \$342 million or something to that effect. That's just off the top of my head.

**Ms Martel:** I'm sorry, I thought it was much higher. My apologies.

**Hon Mr Clement:** The number 342 seems to be stuck in my mind, so it must be around that, but we'll double-check it for you.

**Ms Martel:** What I'm interested in is whether any of that is going to be dedicated to smoking cessation programs or dedicated to dealing with the excellent report that was done by the expert panel for your colleague Ms Witmer on getting serious about tobacco control. You have this money coming in. You've said prevention is a priority. You've identified tobacco. The only recommendation that appears to have been acted upon is the one to actually apply an increased tax, which you've just done, but there are 28 others that would deal with a broad range of initiatives the government could undertake. Is any of that money going to be dedicated?

**Hon Mr Clement:** Certainly now that my youth tobacco team has reported, I have directed a review of our entire tobacco control strategy, both from a regulatory point of view as well as from advertising, education and those kinds of initiatives. There's no question that a tobacco tax has a disproportionate and therefore positive impact in the incidence of youth taking up smoking. There's no question that the evidence is in on that. The elasticity of demand is much higher among young people than among adults who take up smoking. So already I believe we have had an impact on juvenile smoking by increasing the tobacco tax, is what I'm trying to say.

There's no question that we're dealing with an industry which is an insidious, horrible industry—I'm talking about big tobacco now—that has been proven in many jurisdictions to have consciously sought to increase profits by preying upon non-smoking adolescents, which is as unconscionable an activity as one can imagine. They are an industry that always tries to find the way to subvert well-meaning legislation, advertising and other forms of regulatory control. That's whom we're dealing with.

In my mind, we are learning. Just at the health ministers' meeting we learned of other approaches that provinces have taken just this year which I would like our province to consider in due course. But you have my commitment that I am not about to let them get off with their types of advertising, the types of promotion they do which have been shown in other jurisdictions to be consciously directed at the advance of youth smoking. It's just not acceptable in our society, and we'll have to deal with it.

**Ms Martel:** Two questions: when will we know how much of that tobacco tax will be diverted back to programming on the broadest level, and will you also be making a specific announcement about how much of that money might go to actually implementing some of these recommendations?

**Hon Mr Clement:** As I say, I've directed the review to be quite quick from our ministry's point of view. I believe that a lot of facts and options are on the table, so I undertake to get back to you at the earliest available opportunity. This is something that the Ministry of Health will have to have some dialogue on with the caucus and with other members of government, but I'm quite hopeful we can make some progress.

1710

**Ms Martel:** My final question has to do with the patients' charter. Page 52 shows an allocation of \$3 million for a patients' charter. I'd be interested to know what that funds.

**Hon Mr Clement:** Well, the patients' charter of rights and responsibilities is a government commitment to ensure that we move forward with a plan to increase accountability in the delivery of health care, to make it more patient-centred and more responsive and responsible. It's an ongoing initiative. It is connected to other projects and plans. With that, I will leave it to George Zegarac to provide more detail.

**Mr Zegarac:** As the minister indicated, we are looking at consultations around responsibilities, but also on rights. We have had discussions with a number of focus groups to look at what their expectations would be, what their issues are around access to rights, how they would like to see it implemented. We've had consultations with stakeholders. We are also looking at a support network, the possibilities around a 1-800 line or other types of support networks to ensure that the public knows what their rights are and that there is some accountability in the system. So it's basically there to help support and design the new charter.

**Ms Martel:** Is that money that has already been spent?

**Mr Zegarac:** Some of it's being spent right now as we're doing the consultations and other money will be spent in the future.

**Ms Martel:** Outside of the consultation you had this summer with this four-page document with a number of people behind closed doors, what else has been done on this dossier?

**Mr Zegarac:** In terms of—

**Ms Martel:** Of developing the charter, that would bring you to \$3 million.

**Mr Zegarac:** When the announcement comes out with the details on what the government's response on this is, it will have a support network of activities to support not only the articulation of the charter and the responsibilities and the rights, but also to support the public getting access to that information, and a follow up. So there will be a number of initiatives and activities that have yet to be announced from the government that will also be implemented through that.

**Ms Martel:** Just as I close, could you provide me a little more detail about how much has come out of the \$3 million so far and for what?

**Mr Zegarac:** Yes, we can certainly provide what's been spent to date. That's not an issue.

**Ms Martel:** OK, thanks.

**The Chair:** We now turn to the government caucus and to Mr Mazzilli.

**Mr Mazzilli:** Earlier we were talking about enhanced ambulance funding and that you may now have some numbers. If it is the upper tier for the county of Middlesex, do you have the numbers that that community would be enhanced by?

**Hon Mr Clement:** In Middlesex? I know that we are just finalizing some of the discussions with the municipal governments on that front. We do have a breakdown on our front.

**Mr Mazzilli:** It's administered by the upper tier, so that would be the county of Middlesex.

**Hon Mr Clement:** I believe in Middlesex the number is \$745,000.

**Mr Mazzilli:** It's \$745,000?

**Hon Mr Clement:** Yes.

**Mr Mazzilli:** And that would be, obviously, the province of Ontario portion matched by the county of

Middlesex, so it's an enhancement of some \$1.5 million in ambulance service.

**Hon Mr Clement:** That's my understanding. Of course, I can't speak for the municipality, but we have to have some final—

**Mr Mazzilli:** Certainly, and I know the county had put aside some money as of last year to enhance services but was waiting for our contribution, so I know they'll be very excited in London. I'll be happy to pass on that information.

**Hon Mr Clement:** Please do. Keep those cards and letters coming.

**Mr Miller:** I'd just like to ask about the Healthy Babies, Healthy Children expenditures on page 107. I see that the actual amount spent in 2001-02 was \$61 million. That was up substantially from the estimate, and again this year it looks like a fairly substantial increase to \$67 million for the estimate for this year. Can you talk a bit about that program and why the actual was \$10 million more than the estimate?

**Hon Mr Clement:** Sure. As you know, we try to integrate our services for children amongst different ministries so that the left hand knows what the right hand is doing. In that vein, if I can defer to Peter Rzakdi, who is the assistant deputy minister in charge of integrated services for children, I'd be much obliged.

**Mr Peter Rzakdi:** Sure. The straightforward answer to the question is that the 2001-02 estimates were restated to reflect an internal reallocation of the federal ECD funding to other ministry transfer lines or payments that relate to programs and services that families and children in the Health Babies, Healthy Children program are referred to, if that's necessary. However, the 2001-02 interim actual figure, the one showing \$67 million, was not adjusted to reflect that. So the \$10 million is not in fact an increase in Healthy Babies, Healthy Children spending; it is an increase in other programs that parents and children in that program are referred to for services they require.

**Mr Miller:** Can you talk about the Healthy Babies, Healthy Children program?

**Mr Rzakdi:** Absolutely, we can. As you may know, the program was launched in 1997 by the government to respond to the need to have a more consistent screening and assessment system out there for newborn infants and their families. The budget in 1997 was \$10 million, and it quickly grew to reflect a number of enhancements that were announced by the government, including the 48-hour guarantee, which guarantees families a call or visit by a public health nurse within 48 hours of the birth of their children.

Recently, the program was also enhanced—I guess last year—with federal ECD money to take a look at improving the way our family physicians, nurses and other practitioners undertake an 18-month assessment of children's needs for those families who are in the program and are determined to need some ongoing monitoring. We are developing a more universal tool so that kind of assessment and screening at that age can be



undertaken. Additional funding has been provided through Healthy Babies, Healthy Children to train the primary care providers to understand the tool and use it.

**Mr Miller:** On page 117, the outbreaks of diseases line, I see it was estimated at \$58 million, and the actual for 2001-02 was \$65 million and there's an increase in the estimate even from that \$65 million. Are we having more outbreaks of diseases? Can I have some background on that?

**Hon Mr Clement:** Yes, and certainly this is one of the areas where you try to take a stab at it in terms of estimates, but if there's a disease outbreak you do what you have to do. So it's more of a placeholder than anything else. If the good doctor could elucidate that, I'd appreciate it.

**Dr Kurji:** Basically, much of that increase can be attributed to the increase in the price of vaccines. Our five-year contract with one of the manufacturers came to an end. Unfortunately, there has been a significant price increase and, whilst I haven't actually found the exact figure in my binder, it's close to \$8 million. So that would account for a good portion of that increase.

**Mr Miller:** Why are vaccines increasing in price so much?

**Dr Kurji:** Unfortunately, when you look at the world prices for vaccines, they have actually been going up. In this instance, we do not have the luxury of competing with other manufacturers, as the appropriate manufacturer is really a sole supplier of those particular vaccines.

**Mr Miller:** Also on page 117, the Ontario breast screening estimates: I see in 2000-01, it was \$19 million, then the estimate for last year was \$32 million and \$21 million was actually spent, and the estimate for this year again is \$32 million. So there has been a substantial increase. Can you talk about that program a bit?

**Hon Mr Clement:** Yes. I know part of it is in terms of the number of facilities that are actually up and running. It's my understanding that as that number increases, we are closer to the targets we had expressed for ourselves. Dr Kurji, if you want to talk about that.

1720

**Dr Kurji:** Basically, again, this particular program isn't completely fully operational. The overall target was to screen 70% of eligible women between 50 and 69 years of age every two years, resulting in approximately 350,000 screens per year. In 2001-02, the program screened 169,520 women at 88 sites. In 2002-03, the program expects to increase this number by 25% and also to add 11 new sites to the program. The minister correctly alluded to the fact that the program isn't fully operational and we continue to increase the number of sites and we continue to increase, through CCO, the number of women who access this particular program. So when fully operational, it would actually be utilizing the full amount that has been budgeted.

**Mr Miller:** I know there has been talk in the budget of doubling the number of nurse practitioners. Where would

I find the nursing estimates in the estimates binder? Maybe talk a bit about the nursing strategy as well.

**Hon Mr Clement:** That sounds like a Mary Beth Valentine question.

**Ms Valentine:** Perhaps I'll just talk about the strategy for a couple of minutes while we find the exact line, if that's appropriate, Minister.

**Hon Mr Clement:** Sure.

**Ms Valentine:** On the nursing strategy, just to perhaps refresh your memory, there was a task force in 1998, and the task force report came forward in 1999, with the government accepting all the recommendations. Progress has been made on the nursing task force strategy on a number of fronts. There were a number of areas, so there's not a single line within the estimates. It relates to—and I think the minister mentioned it in his opening comments—the more than \$800 million that has been put into new nursing positions, for instance. In addition to that, of course, is the recent \$3 million related to nurse practitioners and the new positions that will be created in long-term care.

There's also a specific recommendation related to improvements in nursing. In fact, we have a nursing research unit that was established. It has two sites: at McMaster and at U of T. There is \$1 million in base funding that is provided each year, and recently an additional announcement of \$1 million to enhance the research related to nursing human resources over the next two years. Actually, some excellent work has been going on there, some work that has been published to date that is being recognized, not only across Canada but in other jurisdictions, as being very forward, looking at predictive modelling and so on. It is primarily related to hospitals to date but is expanding, trying to look at other areas as well. A number of other research components are looking at effectiveness, utilization, nursing outcomes and so on, so we will see more and more results over the next year or so, that type of research that's going on.

On the issue of continuing and clinical education and recruitment and retention, there has been an investment of \$10 million annually that has gone into those types of activities. The way that money is handled is that it flows, generally speaking, to the RNAO and the Registered Practical Nurses Association for a number of activities that they undertake related to recruitment and retention; everything from things like job fairs to developing specific tools to support recruitment and retention. There was an additional announcement, I believe in this fiscal year, of \$400 million related to the development of tools and strategies related specifically to community care. Again, the first focus had been on hospitals, then long-term care. The minister's announcement at RNAO, as I recall, was for another \$400 million related to community care.

There has also been over \$70 million in new funding since 2002 to support the commitment to move to the baccalaureate and a more recent announcement of \$50 million that I believe was raised earlier as well. So those

are, in summary, the types of investments that have continued to be made with the nursing strategy.

The specific \$3 million is on page 71 and it is in the vote of the underserved area plan. It is about three quarters of the way down the page.

**Hon Mr Clement:** In column B.

**Mr Miller:** That's the change; there's \$3 million. Very good. Thank you very much. I see there's substantial investment going into nursing and a comprehensive strategy.

I just have one quick question to do with Parry Sound, if I could ask about it. It's not specifically—although maybe it is a budget item. I know in the Parry Sound area there's a beautiful new hospital, a \$65-million investment going on. The groundwork was done, I believe, over the summer but they're in the process right now of waiting for permission to tender. They're quite keen about trying to get going before the snow flies and also to meet the commitment that the hospital has to have long-term-care beds open by 2004. So there's some concern in the community about getting the approval through so they can start work this fall.

**Hon Mr Clement:** Sure, we'll talk to that. My basic understanding is that there still is a little bit of a disagreement on the size and scope of one of the areas, if this is the hospital that I'm recalling correctly. I know we've been in discussions to resolve that issue.

**Mr Stolte:** David Stolte from the health reform implementation team. I can elaborate on that. The initial approval for the project was granted in August 2000 and that was an approval of the preliminary design at the functional program stage. What that approval enabled was the design and building of a new hospital that will replace the two current outdated hospitals in Parry Sound, a consolidation of services on one site.

There has been a lot of progress since then. The hospital has progressed through detailed design to the pre-tender, as you have indicated. They have completed some site work that could be done in advance of the design being completed. As well, in May 2001 they received an award for an additional 60 long-term-care beds. What the hospital did was, they revised their design to incorporate a co-located project of hospital and long-term care. In doing so, they identified an increase to the hospital budget that is, in their assessment, based on the additional long-term-care beds. The ministry did not accept the hospital's initial allocation of costs between the hospital component of the project and the long-term-care component of the project.

Based on that, the hospital has reworked their submission and resubmitted. They have revised their allocation of costs between the hospital and the long-term-care component and at this stage we're reviewing that submission. As well, the hospital is revising its local fundraising plan since it involves extra costs and it would involve more money to be raised locally. So those are the two current pieces that are going on right now and there's been a lot of progress.

**Hon Mr Clement:** Do we have any timelines, given the snow is going to fly at some point? Do we have any timelines yet on that, David?

**Mr Stolte:** We're close to agreement, and I think that when the government and the hospital can identify the share, we'll be ready to move forward on that.

**Mr Miller:** Thank you. I'm glad to hear that you're working on getting an agreement.

**Mr Chudleigh:** Minister, I see that our air ambulance budget has increased about \$18.9 million on a new contract. I wonder if you could comment. I understand this is a new contract and a very efficient one. I wonder if you could explain why this is money so well spent.

**Hon Mr Clement:** Certainly. I'll defer to some of the experts. I had the opportunity to meet with some of our air ambulance professionals, and I can tell you that the kind of service they're offering in terms of quick response—and a lot of this involves things like road accidents, those kinds of things—I tell you, the ability of them to transport an injured person or some other afflicted person quickly and efficiently is probably the envy of many other jurisdictions.

So with that little advertisement, I'll just ask Gail Ure to elaborate on what we're doing in this area.

1730

**Ms Ure:** A couple of things. In terms of the money that is in the estimates, \$1 million is for the critical care transport air ambulance. It's an annualization of previously approved amounts. The second part is \$18.9 million for air ambulance, and that's broken down into basically three parts: about \$5 million for the critical care contract, which is both fixed and rotary wing; \$10.4 million for standing agreements. Part of this is looking at ambulances as part of the glue that fits the system together. If there's a decrease in physicians and specialists, then air ambulance many times has to carry people. So there's increased volume, increased air miles flown, increased fuel costs. The residual of that \$18.9 million is due to fuel costs.

In terms of the program in general, the program was initially developed in 1977. It's one of the largest in North America at this point. When you look at the volume, they've flown approximately 17,000 patient transfers in 2001. It really does play a vital role, not just in the north but throughout the whole province. We count on them to deliver a wide variety of services.

We have a medical air transport centre and air dispatch, and that has to be intimately linked with the other land ambulance services, because it's one thing to get to the airport, but how do you get the rest of the way to the hospital or the treatment venue? That's also integrated.

**Mr Chudleigh:** Do many hospitals have helipads as well?

**Ms Ure:** A number do, yes, and that's part of the redevelopment that's going on that you heard about earlier today.

**The Chair:** We now go to Ms McLeod from the official opposition.

**Mrs McLeod:** Just to lead off, Mr Speaker—



**The Chair:** Sorry, the NDP has advised they won't be available, so we're splitting the time, as required, that's available. So there's approximately 15 minutes, and then over to the government side.

**Mr O'Toole:** Mr Chair, I was just wondering if the allocation would be 10, 10 and 10?

**The Chair:** Well, the NDP aren't here, so 15 and 15.

**Mr O'Toole:** No, but I'm asking a question, Chair, if you don't mind for a moment. If they don't use their time and we don't use our time, they get 10 minutes. I'd be happy with that arrangement. I have another engagement some two hours away from here, at 7:30.

**The Chair:** I understood from your caucus that's what they wanted to do, so I think what you have is a saw-off here. They get 15 minutes and then we close up. Is that fair? Because otherwise we'll have to bring it to a vote.

**Mr O'Toole:** That sounds fine.

**The Chair:** OK. Go ahead, please.

**Mrs McLeod:** I just want to put three things on the record, two questions and one point. First of all, in response to the minister's repeated reference to Elinor Caplan as a former Minister of Health bringing in the independent health facilities: for the record, she did not bring in independent health facilities; she brought in the Independent Health Facilities Act. Its purpose was to regulate the independent health facilities which existed in the province and to stop their proliferation. It required that the minister had to grant licences and that those licences could be denied if the minister felt that an additional facility was not needed in the public interest. It also allowed for the preference to be given to a Canadian provider, a provision which the current government removed from that act. That's my point for the record.

My two questions which I'd like to table for information to be provided for the committee, and I will not comment until I in fact do receive the information in the future—one is on physiotherapy rehabilitation. There's an indication on page 52 that the rehab reform pilot projects have been cut or discontinued. There's an \$800,000 deletion for that. I would appreciate the tabling with this committee of any evaluation which was done on those pilot projects.

Secondly, I would appreciate a report on the status of schedule 5 clinics: how many clinics there are and how many—

**The Chair:** For the benefit of research, is there an acknowledgement from the ministry that those reports can be forthcoming, or how should we proceed?

**Hon Mr Clement:** I'm sorry, can you—

**Mrs McLeod:** I just was asking that any evaluation of the rehabilitation reform pilot projects, which are apparently now discontinued, be tabled with the committee, and secondly, the status of schedule 5 clinics in terms of whether or not there have been increased or decreased numbers of schedule 5 clinics over the past year.

**Hon Mr Clement:** An increase in the number of clinics, you mean?

**Mrs McLeod:** The schedule 5 clinics. I'm just looking for a status report on numbers only.

**Hon Mr Clement:** Sure.

**Mrs McLeod:** Mr Chair, if I may just table, because we're into our last 15 minutes—

**The Chair:** Is there an acknowledgement from the minister that that's available information?

**Hon Mr Clement:** Yes.

**The Chair:** That's fine, because it helps the researcher to follow up.

**Hon Mr Clement:** Yes.

**Mrs McLeod:** Thank you, and my last question, again, is just for information. I would appreciate knowing the changes in policy in the home oxygen program that have led to a possible \$6.5-million decrease in funding over the last two years.

**The Chair:** Is that also a request for written information, and is the ministry able to provide that?

**Hon Mr Clement:** Yes. I would want to state for the record that we certainly have been negotiating quite aggressively with the industry. I think they'd be the first to admit that. So it doesn't be a case of service decrease just because there's a cost increase, if I could put it that way.

**Mrs McLeod:** I'm just seeking information.

**Mrs Papatello:** I have three requests for information, so that once we get this info we could have additional questions of the minister. One is the renewal of the contract with Canadian Radiation Oncology Services in March of this year. The minister's spokesperson at that time indicated that the cost per patient is comparable to publicly run clinics. I'm hoping that the minister can detail the cost per patient in the private clinic as compared to the public clinics. There must have been some kind of a review that allowed his spokesperson to indicate that the cost is comparable.

The second request is for any studies or reports that the ministry has undertaken into the cost of for-profit delivery of publicly funded health services, and if you would have those reports tabled.

Finally, could you table the status of all of the health service restructuring plans that are out there, tell us where they're all at, how many are completed in full, how many are 50% along and what the status is of the various restructuring plans across the province? Thanks.

**The Chair:** Would the minister care to characterize whether that's something that's available or not, again, for the benefit of the record?

**Hon Mr Clement:** I certainly will undertake to use my best efforts to make it available, if it is in existence.

**Mr Gerretsen:** On page 28 in the ministry communications services plan there's a \$1.6-million over-expenditure in the salaries and wages component. I would like to get the details as to how the extra \$1.6 million was spent. I'll just leave that with you and you can provide that information.

I also read today in the Ottawa Citizen that apparently the individual who issued or wrote the report that was done for the Ottawa community care access centre has indicated to the council there that they're not prepared to release the report in light of your earlier comments about the public having a right to know as to what's in the

report, particularly when it's finished. I wonder if you have any comments, Minister, as to why that report should not be released at this point in time so that the people who paid for the report can know about it. Do you have any comments, quickly?

**Hon Mr Clement:** I can tell you that I'm meeting with the chair of that board in the next few days and, if I can surmise, he may be waiting to at least have the face-to-face conversation before he shares it with the community. So it might be just a matter of days.

**Mr Gerretsen:** OK. As far as the transfer of the supportive housing program from the Ministry of Municipal Affairs and Housing to your ministry, could you provide us with a list of the number of supportive housing units in the province, the organization that received the funding through this program, the number of individuals served, the monies received by the organization and how many applications the ministry receives on an annual basis by individuals for supportive housing? I'm asking this in particular since I notice that in the budget documents that we were provided with the estimates there's absolutely no increase in the amount that you're allocating for supportive housing. Do you have any comments on that, sir, and can you provide the information I requested?

**Hon Mr Clement:** Again, certainly the general comment is that we are on the cusp of a groundbreaking series of reports on mental health implementation. We sought as a ministry to get all of that information so we can coherently start allocating new monies according to a plan rather than without a plan. So that's the short answer to your question.

**Mr Gerretsen:** But in the meantime, there's no additional money being allocated to this area.

1740

**Hon Mr Clement:** Mr Gerretsen, I think I explained to you the reasoning behind that.

**Mr Gerretsen:** When do you expect to have the report ready on that, or when do you expect movement in that particular area?

**Hon Mr Clement:** Certainly we are in the midst of receiving these reports. I think Gail Ure indicated that there will be a general report that will be available, as opposed to the individual reports, by December—oh, was it Mary rather than Gail? It's all becoming a bit of a blur.

**Ms Kardos Burton:** Thank you very much, Minister—"a blur."

**Hon Mr Clement:** No offence. Present company excepted.

The strategy behind that is obviously we want a road map. We want to look at this so that the patient is served to the best of our abilities, in an area, quite frankly, that has been ignored for many, many years. I'm not saying that in a partisan way. I think all three political parties that currently exist in the House would agree this is an area that needs our consideration and our focus. But in order to do that coherently and successfully, you need the plan, and that's what we're in the process of receiving.

Did you want to mention something about supportive housing?

**Ms Kardos Burton:** Yes. I just have a couple of comments to add to that. First of all, in terms of supportive housing, we do offer programs for supportive housing for mental health clients as well as seniors in this province. Last year, we actually overspent in this area.

But to respond to your specific question in terms of the programs that we offer, we can provide you with that information. When the minister was speaking about the previous information, it was December that Gail Ure said the mental health task force reports will come in. So we will provide that for you.

**Mr Gerretsen:** In light of the fact that \$50 million less was spent than allocated in the community services area, could the ministry provide us with a list of the long-term-care community support services that are available to the elderly people in their homes and the number of services provided by each region across the province?

**Ms Kardos Burton:** There are 750 community support services agencies, but we could certainly provide you with some information in terms of what is available. I think you probably know the main ones are Meals on Wheels, respite services and those kinds of services. But we can certainly endeavour to provide something on a provincial basis, on a regional basis, for you.

**Mr Gerretsen:** Next, can the ministry provide a breakdown of the new beds in the long-term-care facilities by location, owner-operator, dollars invested per facility, number of beds committed, whether it's a new facility or an addition to an existing facility and the total number of beds for that facility, the date of completion or the projected date of completion. Could you also provide the same information with respect to the redevelopment of the beds in existing facilities. Is there any problem with that?

**Mr Mazzilli:** That's why they overspent—

**Hon Mr Clement:** This answers the question on additional staffing, right? That's right.

OK, we'll do our very best for you on that.

**Mr Gerretsen:** Next, we talked about accountability earlier, Minister, particularly when it comes to long-term-care facilities. You indicated that there are 40 compliance officers. We have over 550 long-term-care facilities, I believe, in this province. How often does the average facility get inspected?

**Hon Mr Clement:** I'm sure the short answer is that it depends, because certain facilities—

**Mr Gerretsen:** On average, would you say once a year?

**Ms Kardos Burton:** Yes, I'd certainly say that, but it does depend on circumstances. Facilities that are receiving complaints get inspected more often.

**Mr Gerretsen:** But I think from reading some previous documentation as it relates to the Provincial Auditor's report, as well, a few years ago, most facilities get inspected no more than once a year.

Do I take it, then, that the ministry is totally relying on the compliance aspect of making sure that inspections get



done, on making sure that the facilities comply with the rules and regulations that are out there? Collectively, all of us are relying on basically one inspection per year to make sure that the facilities are following the rules and regulations that are out there.

**Hon Mr Clement:** Again, Mr Gerretsen, with all respect, I think it depends on the facilities and on their track record. Clearly there is greater oversight on those that have had a record of complaints or a record of concern; of course those receive greater oversight.

**Mr Gerretsen:** How often would you inspect the facility that you inspect the most: on a daily basis, on a weekly basis, on a monthly basis? Is it purely based on complaint? Do we ever make any spot checks to make sure that the rules and regulations are followed? In most cases that I've heard about, certainly the operators or the people who run the home know when the inspector is coming in. What comments do you have on that?

**Ms Kardos Burton:** If I could just go back to the complaints, first of all, every complaint is investigated by ministry staff within 21 days, so we certainly wouldn't wait until the next time we were going into the facility. If there are serious complaints—all complaints are serious, but obviously it would be investigated immediately. There have been situations recently, and I think the minister alluded to it earlier, where we had complaints that were given to us by our compliance advisers and the inspections people were in on a daily basis.

I also think it's important to know that we have a system of seven regional offices throughout the province, and our regional office directors and program consultants work very, very closely with our long-term-care facilities. So it isn't just the complaints process that we rely on; it's also an ongoing operations management program supervision.

**Mr Gerretsen:** OK. So if there are no complaints, on average how often does a facility get inspected?

**Ms Kardos Burton:** I think, again, that depends, but certainly at least once a year, as you mentioned.

**Mr Gerretsen:** OK.

**Ms Kardos Burton:** I do want to stress the regular contact that we have with the facilities and also the reporting that comes in. So even if it wasn't a compliance adviser, your regional office staff would be in contact with the facilities.

**Mr Gerretsen:** Finally, in the last minute that I have, I have one more question relating to integrated health care, and this is from a statement that is made in your estimate document. Under community support services, would the ministry provide a breakdown of services "for which clients may pay a fee"; who determines if a client will pay a fee, how is the determination made and the number of paying clients in that area? Do you have any problems providing that information?

**Hon Mr Clement:** I'm sorry, I missed the first part of your comment.

**Mr Gerretsen:** A statement is made in the integrated health care portion of your budget. Would the ministry provide a breakdown of services—and this is your

statement—"for which clients may pay a fee"? What I am trying to determine is who determines if a client pays a fee, how that determination is made, what kind of services we're talking about and the number of fee-paying clients in those particular services.

**Hon Mr Clement:** Certainly we will provide that information. I'm not quite sure where you're reading from, but we'll get the information for you.

**Mr Gerretsen:** I'm just reading from my own briefing notes.

**The Chair:** Perhaps that can be clarified for better follow-up.

We are now concluded in terms of time, and by arrangement the government caucus is not proceeding. We now turn to something that should be of interest to the minister, which is voting on the allocation for the ministry. The first vote should be of interest to the assembled because it is for the ministry administration. I put the question. Shall—

**Mrs McLeod:** Mr Chair, can I just have a question before we get into voting?

**The Chair:** Yes.

**Mrs McLeod:** Would the ministry be able to tell me what vote the supportive housing for the physically disabled might come under?

**The Chair:** Can I have an indication, please, from the ministry, on a volunteer basis, which vote is supportive housing.

**Mrs McLeod:** For the physically disabled.

**The Chair:** Which is the major heading? Do you know? I'll tell you what, I'll read the vote out so you know the major heading, but we have to proceed without further discussion.

Vote 1401 is ministry administration. Shall vote 1401 carry? Carried.

Vote 1402 is health policy and research. Shall 1402 carry? All those in favour, please say "aye." All those opposed will say "nay." I declare the motion carried.

Vote 1403 is for smart systems. Shall vote 1403 carry? I declare it carried.

Vote 1404 is for integrated health care programs, which I cannot but mention is worth over \$9.8 billion. Shall vote 1404 carry? All those in favour, say "aye." All those opposed, say "nay." I declare the motion carried.

Vote 1405 is for OHIP. Shall vote 1405 carry? The motion is carried.

Vote 1406 is for public health, health promotion and wellness. Shall vote 1406 carry? All those in favour, say "aye." All opposed, say "nay." The vote is carried.

Vote 1407 is for health capital. Shall vote 1407 carry? The motion is carried.

Shall the estimates of the Ministry of Health and Long-Term Care carry? The motion is carried.

Shall I report the estimates of the Ministry of Health and Long-Term Care to the House? Agreed.

Thank you very much. I want to thank all the participants. It was by special arrangement that we met this full day.

For the committee members, there is a motion to follow regarding our next estimates, or the one after that. I'll ask the voting members to stay attentive for that.

I do want to thank the minister and the participants for this session today.

**Mr Chudleigh:** On a point of order, Mr Chair: I'm going to move the motion of the subcommittee.

**The Chair:** That's what we want to do right now.

**Mr Chudleigh:** I have to read it in.

**The Chair:** Would you like to move that motion?

**Mr Chudleigh:** I have to read it into the record.

**The Chair:** I'll be happy to read it for you, or you're welcome to, whichever you like.

**Mr Chudleigh:** Your subcommittee met Tuesday, September 10, 2002, and recommends the following with respect to consideration of the estimates of the Ministry

of the Environment and the Ministry of Energy, formerly the Ministry of Environment and Energy:

(1) That the time allocated be split evenly, ie, three hours and 45 minutes for the consideration of each ministry;

(2) That the time allocated for the opening statements be limited to 15 minutes for each recognized party and the ministers be allowed not more than 15 minutes for their right of reply;

(3) That the estimates of the Ministry of Energy be considered first, subject to the minister's availability.

I move the report of the subcommittee.

**The Chair:** Thank you for the report.

Is the report of the subcommittee accepted? Agreed? Any opposed? OK.

Thank you very much. We'll see you on the 24th.

*The committee adjourned at 1752.*





## CONTENTS

Tuesday 10 September 2002

<b>Ministry of Health and Long-Term Care.....</b>	<b>E-9</b>
Hon Tony Clement, Minister of Health and Long-Term Care	
Mr Phil Hassen, deputy minister of Health and Long-term Care	
Ms Mary Kardos Burton, assistant deputy minister, health care programs division	
Ms Gail Ure, executive director, health care programs division	
Mr John McKinley, acting executive director, health care programs division	
Ms Allison Stuart, director of hospital programs, health care programs division	
Dr David McCutcheon, assistant deputy minister, health services division	
Dr Karim Kurji, chief medical officer, public health branch	
Ms Gail Paech, assistant deputy minister, long-term-care redevelopment	
Ms Mary Beth Valentine, provincial chief nursing officer, nursing secretariat	
Mr George Zegarac, assistant deputy minister, integrated policy and planning division	
Mr David Stolte, director, health reform implementation team	
Mr Peter Rzadki, assistant deputy minister, integrated services for children	

### STANDING COMMITTEE ON ESTIMATES

#### Chair / Président

Mr Gerard Kennedy (Parkdale-High Park L)

#### Vice-Chair / Vice-Président

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gilles Bisson (Timmins-James Bay / Timmins-Baie James ND)

Mr Ted Chudleigh (Halton PC)

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gerard Kennedy (Parkdale-High Park L)

Mr Frank Mazzilli (London-Fanshawe PC)

Mr Norm Miller (Parry Sound-Muskoka PC)

Mr John O'Toole (Durham PC)

Mr Steve Peters (Elgin-Middlesex-London L)

#### Substitutions / Membres remplaçants

Mr John Gerretsen (Kingston and the Islands / Kingston et les îles L)

Ms Shelley Martel (Nickel Belt ND)

Mrs Sandra Pupatello (Windsor West / -Ouest L)

#### Also taking part / Autres participants et participantes

Mrs Lyn McLeod (Thunder Bay-Atikokan L)

#### Clerk pro tem / Greffier par intérim

Mr Katch Koch

#### Staff / Personnel

Ms Anne Marzalik, research officer,  
Research and Information Services



CAZON  
XC26  
-E77



Copyright  
Library of Parliament

E-3

E-3

ISSN 1181-6465

## Legislative Assembly of Ontario

Third Session, 37<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Troisième session, 37<sup>e</sup> législature

# Official Report of Debates (Hansard)

Tuesday 24 September 2002

# Journal des débats (Hansard)

Mardi 24 septembre 2002

**Standing committee on  
estimates**

Ministry of Education

**Comité permanent des  
budgets des dépenses**

Ministère de l'Éducation

Chair: Gerard Kennedy  
Clerk: Susan Sourial

Président : Gerard Kennedy  
Greffière : Susan Sourial

### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Copies of Hansard**

Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

### **Exemplaires du Journal**

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.





## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Tuesday 24 September 2002

Mardi 24 septembre 2002

*The committee met at 1535 in room 151.*

## MINISTRY OF EDUCATION

**The Vice-Chair (Mr Alvin Curling):** I call to order the meeting of estimates committee for the Ministry of Education.

I have before me a letter from the minister, who has indicated that she won't be available at the hearing after 5 o'clock tomorrow, which is from 5 to 6. What we could do is postpone that 5 o'clock to 6 o'clock to the hearing on the next Tuesday, if that is acceptable to you all. The minister will be available today and until 5 o'clock tomorrow, but from 5 to 6 she will have another commitment. I'm asking for your consent that you could deal with that situation on the next Tuesday. Is that OK? I heard agreement on that.

In proceeding with this today, we will commence with vote 1001, item 1. We will begin with a 30-minute statement by the minister, followed by 30 minutes for the official opposition, 30 minutes for the third party and then another 30 minutes for the government or for the minister to use the right to reply and use it the best way she wishes. The remaining 5.5 hours will be appropriately apportioned equally among the three parties. So first we will have the minister for 30 minutes, then the official opposition for 30 minutes, then the third party for 30 minutes and then her response of 30 minutes, and then we will divide up the 5.5 thereafter equally.

Madam Minister, welcome. This is your first estimate for the Ministry of Education. You may proceed.

**Hon Elizabeth Witmer (Deputy Premier, Minister of Education):** I am extremely pleased to appear before the committee on behalf of the Ministry of Education. Joining me here is the ministry's deputy minister, Suzanne Herbert.

First and foremost let me say how proud and pleased I am to have been appointed Ontario's Minister of Education and to be able to continue the work that has been undertaken by my colleague Janet Ecker in this very important portfolio. I say "important" because I think one of the most important purposes and responsibilities of any government is the growth and personal development of our young people. In a world in which rapid change and continuous learning are a way of life, our schools and our dedicated teachers are assisting students of all ages to

adapt to challenging times and also encouraging them, of course, to pursue new interests.

There was a man at one time whose name was Lon Watters, who said that schools are buildings "with four walls—with tomorrow inside." However, it is by working together as a team, whether students, parents, government, taxpayers and staff, and by maintaining an optimism for what lies ahead that we are going to effectively be able to meet the challenges of the future of these young people and make sure that the tomorrows are even brighter for all of the students we serve.

I think we have a great opportunity and a great responsibility to ensure that we can provide the best learning environment in the province in order that each student can achieve their maximum potential.

I would just be on the record as saying I am a strong advocate of public education. I believe we have an outstanding system, and by working together we can all continue to make it even better.

1540

As of this September, I'm pleased to say that the province-wide standardized curriculum is now in place for every grade. Our last class of OAC students will graduate at the end of this school year. These are probably the most obvious examples of an education system that has changed fundamentally over the past seven years.

When our government was elected in 1995, we made a commitment to the people of this province to reform and improve Ontario's education system. We promised that we would make it equitable for all students, no matter where they lived or which board they attended. We also committed to make it responsive to student needs and more accountable to the parents and taxpayers. We have kept this promise. However, we know there is more that needs to be done.

We have put in place a comprehensive plan in order that we can improve student learning and achievement and support our teachers. I'd just like to review some of the key elements of the reform. We have established a new curriculum from kindergarten to the end of high school that sets a high standard for student achievement and excellence. We have introduced province-wide tests that are reporting regularly on how successfully students and our schools are performing. Third, we have developed strategies that respond to the test results, such as the early reading strategy and the early math strategy, to help

our students gain the fundamentals they are going to need for future success. Fourth, we have put in place a comprehensive program for teachers' ongoing professional development and an appraisal system to ensure they have the most up-to-date skills and knowledge and are able to apply these effectively in the classroom.

I am extremely pleased to say that as a result of the plan and the reforms that have been introduced, student achievement is improving. It is essential that we continue to build on these steps, and we will continue to do so with the support and co-operation of others in the field of education.

In the area of funding, within two days of being sworn in Premier Eves demonstrated that education is a clear priority for the government. He announced that \$65 million more would be given to school boards for new textbooks and technology-based learning materials. Two weeks after that, we announced that \$25 million would go toward expanding the early reading strategy and introducing a new early math strategy. Two weeks after that, we announced that we would increase funding for Ontario's schools by \$350 million for the upcoming school year. Then, in the provincial budget in June, we built further on our educational investment and announced another \$117 million in new funding for Ontario schools.

I am pleased to say that since April our government has announced almost \$560 million in new spending to support our students and our staff in school boards throughout Ontario. This year, we will be spending a record \$14.26 billion on publicly funded education. That is a 2.9% increase over 2001-02. Almost all school boards will receive more money, even though about half of them will have fewer students, because that is one of the dilemmas we are facing: a declining population in future years.

This significant increase means our schools will have access to more of the resources and tools they need to provide a quality education to students. It means that Ontario students will benefit from greater learning opportunities. However, we know that the funding formula that we introduced four years ago needs to be reviewed, and we are undertaking a review to make sure that we are still achieving equality and fairness to the students throughout the province.

But let me just talk about the funding formula. It's based on a foundation grant that covers the basic cost of providing an educational program to a student for one year. Additional funds are provided through 10 special-purpose grants. The purpose of student-focused funding is to ensure quality education and equality of opportunity for all students, no matter where they live in this great province. The funding formula has succeeded in guaranteeing that every child has the same chance to achieve his or her maximum potential and to leave with the skills and knowledge they need.

While the funding formula has accomplished a great deal, Ontarians have told us they do want improvements where possible. Our government has listened to these concerns and we have responded. In the throne speech,

we announced that Dr Mordechai Rozanski, president of the University of Guelph—and a strong advocate, I might add, of public education—would lead the Education Equality Task Force in a review of the funding formula. The task force has been asked to make recommendations on ways to build on the success of the student-focused funding formula and improve fairness, stability and certainty for schools and students and obviously take a look at the issue of adequacy.

Dr Rozanski has been carrying out his review in several stages, and he has been gathering input through stakeholder meetings, public consultations and submissions on the best way to fund school boards. He began by examining past studies and reports on education funding and researching best practices in other parts of Canada and the world. Then, in August and early September, the task force met with more than 180 representatives of education stakeholder groups in 12 day-long round-table discussions. Now, during September, the task force is hosting 10 days of public meetings in Barrie, London, North Bay, Ottawa, Thunder Bay and Toronto. In addition, the task force has been receiving submissions by mail and through its Web site. And with the public meetings now wrapping up, Dr Rozanski will be preparing his report and recommendations. The task force, I'm pleased to say, is on track to present its recommendations in early November, and, as we had always indicated would happen, they will be considered for implementation in the 2003-04 school year.

Let's talk now about the issue of balanced budgets. It is worth noting that the requirement for individual school boards to balance their budgets has been part of education since 1933. Unfortunately, despite the fact that our government has put more money into the system this year and listened to the concerns about the funding formula, three of Ontario's 72 boards did not live up to their financial and legal obligations this year. We have acted to bring stability to the education of children in these communities by sending in an investigator to review each board's finances and to assist the board in meeting its financial obligations to ensure that schools would open in September for students and that there would be stability in the system.

Since the boards were unable to balance their budgets, we have appointed supervisors to prepare and work with stakeholders to implement a plan to return each board to a balanced financial position and to ensure that parents and students would see stability in the schools.

I just want to add here as an aside that the appointment of a supervisor is always a difficult decision. I think it's important to know that that decision was only made after our ministry had extended the deadlines to board trustees several times and made every effort to resolve the matters by other means.

**1550**

Looking now at the issue of school renewal, another important objective we need to be addressing, and have been, is to provide our students with effective, safe accommodation. Ontario school boards own and operate



more than 5,000 schools, with some 250 million square feet of floor space. The total value of these facilities is more than \$25 billion.

Our funding formula includes the pupil accommodation grant. This annual grant gives school boards both the resources and the flexibility to operate, maintain and upgrade existing schools and to build new schools where they are needed. In May this year I announced that the grant for school renewal would be \$241 million for 2002-03. In the budget, an additional \$25 million was added, for a total of \$266 million.

We also committed \$6.5 million toward replacing—in other words, rebuilding—nine schools that were identified as having unfeasible repair costs.

Since our new approach to funding pupil accommodation includes financing construction costs over long periods of time, these dollars will support new construction valued at \$65 million.

I'm also pleased to say that a further \$17 million will be invested over two years to assess school renewal needs across the province and to identify the most pressing investment priorities.

We understand that we must renew and maintain our schools, not just because we need to protect an important public asset, but we must ensure that our students have a safe and healthy learning environment.

I'd like to turn now to curriculum. We all know the importance of ensuring that our young people gain the knowledge and learn the skills they need to succeed.

In today's competitive world, we have a responsibility to prepare students for the challenges of the future by setting high standards of achievement, but also by supporting them in achieving those standards. Parents across Ontario told us they wanted a more rigorous curriculum with specific, clear and consistent standards province-wide. Again we have responded.

From the new kindergarten program, through the elementary grades and to the new high school program, the new curriculum focuses on the basics of reading, writing, math and science and on helping students acquire knowledge and skills.

We have been supporting the new curriculum in many ways. Since 1999 we have dedicated \$289 million to new textbooks and related learning materials. By the end of the four-year implementation of the new high school program in 2003, we will have allocated \$70 million to support teacher training for the new elementary and secondary programs, and over the same period we will have dedicated another \$80 million to provide other professional supports and resources.

I am pleased to say that the new curriculum has met with considerable success. Provincial, national and international results show that our students' knowledge and skills are improving. However, having said that, we are also aware that some students will need extra assistance and support to master the higher standards of the new curriculum, and we are committed and we will help them.

For 2002-03, student-focused funding will flow a projected \$496.1 million to boards to help these students,

including \$293.4 million through the learning opportunities grant, which includes \$25 million for grades 7 to 10 literacy and math programs; \$168.5 million through the language grant for English as a second language; \$15.8 million through the language grant for French-language students; and \$18.4 million through the continuing education and other programs grant for programs such as summer school.

A number of education stakeholders have expressed concerns that the new high school curriculum for applied courses may be too challenging for some of our students. I assure you, our government is fully committed to working with our stakeholders to ensure that the students who need support will receive the support they need. We are working with our education partners to address these issues. We want to ensure that students obtain the skills they will need whether they go directly into the world of work, apprenticeships or post-secondary education.

Test results: I mentioned a month ago that test results show that Ontario's students are responding positively to our new curriculum. I want to elaborate on this point because I've had the opportunity now to meet with many educational leaders from around the world who have identified the fact that our students are doing well and have come to ask us, "What's the secret?"

Regular assessment of progress in learning the curriculum is a key part of the government's plan to improve student achievement. We all need to know if the education system is providing the consistency and quality we want for our children. Our students are now regularly assessed in reading, writing and math in grades 3 and 6 and in math in grade 9, and during the last school year the grade 10 literacy test was administered for the first time as a requirement for high school graduation. The results of provincial, national and international tests all continue to provide evidence that our students' knowledge and skills are improving.

I would just like to give you some examples of how our students continue to meet the challenges we have placed before them. I also want to add that this would not be possible without the support of the hard-working teachers and the parents throughout Ontario.

Ontario English-language grade 3 students reaching the provincial standard in math increased from 43% in 1998 to 61% in 2001, while French-language grade 6 students meeting the provincial standard in math rose from 55% in 1999 to 60% in 2001.

The national school achievement indicators program found that Ontario English-language 13-year-olds improved their ranking in mathematical content in four years, since 1997, from 15th to 4th of 18 ranked jurisdictions. In 2001, they were behind only Alberta and Quebec. Ontario's French-language 13-year-olds improved their ranking in mathematical problem solving from 15th to 5th of 18 ranked jurisdictional groups.

Ontario's 15-year-olds also performed well in the program for international student assessment in 2000, which found that Canadian students ranked near the top among 32 countries for achievement in reading, math-



ematics and science. In fact, I would add that Finland was the only country that achieved a higher level on the key reading component of the test than our Ontario students, and in both math and science, Ontario students' scores were significantly higher than those of students in the United States and Germany.

Students, teachers and parents are all to be congratulated for these most significant achievements. We need to continue to ensure that we provide the opportunity for our students to meet the high standards of learning. These results make it clear that we are succeeding with an education agenda that focuses on students first and on learning.

Let's take a look now at early reading and early math, because we know that these activities are the foundation of a strong education. In order to help students master these basic skills early, we have undertaken some initiatives. We have undertaken province-wide tests, and we are doing this because they are a valuable tool for determining where there are problems and how we can best help students. Successful strategies for improving student performance require three key elements: measurable targets for better student learning, tools for school improvement and, of course, we need the financial and human resources to meet these goals.

#### 1600

Last year we learned that only 49% of grade 3 students were achieving the provincial standard in reading. We needed to respond. How could we help these children? We responded by launching the early reading program to improve the reading skills of children from junior kindergarten to grade 3. To support this strategy the government invested \$29 million.

We also know that schools can't do it alone. We know that if students are going to improve their reading skills, it is important that families read to their children at a very early age in life and continue to support their children with reading activities. In May our government announced we would invest \$25 million to expand the early reading program beyond grade 3 to grade 6.

We also established a new early math strategy to help raise the level of math achievement of students from JK to grade 3. In the budget, our government announced a further investment of \$5 million to extend the early math strategy to the grade 6 level and to support our teachers and enhance the teaching skills of elementary school teachers in this area.

Both of these strategies require school boards to set measurable targets for improving student achievement. This funding will support improved teaching strategies, new learning resources and special assistance for schools whose students need extra help in achieving their goals. Schools are also required to report annually on their test results and on how well they have succeeded in meeting their individual targets.

Our government is also moving into phase two of the support for schools that need extra help program. This is one component of the early reading strategy that provides additional support to a selected number of schools to improve the reading performance of grade 3 students.

I would like to highlight the fact that in the fall of 2001, 16 schools were selected by a steering committee, with input from local school boards, to participate in phase one of the program whereby we would support schools that need extra help. This fall we will be announcing an additional 14 schools that have been selected for phase two.

To further support improved student learning, the June budget announced the creation of the student achievement fund. The budget stated that \$20 million will be provided to elementary schools. There will be \$5,000 allocated to every elementary school to address student literacy. The principal, in consultation with the school council, will be able to invest in local initiatives that further improve student learning. This program is just one more way in which our government is working with our education partners toward school excellence and higher student achievement.

Let me turn now to special education. Students with special needs are an important priority of this government. We must and we want to foster an education system that has the flexibility to meet individual special needs and that is also focused on achieving the best outcomes for all students across the province.

Funding for special education has increased by over 17% since 1998-99 to more than \$1.37 billion in the 2002-03 fiscal year.

We are also continuing to implement our multi-year plan to improve accountability and quality standards in special education.

Currently, we are undertaking a comprehensive review of the intensive support amount files to ensure that funding accurately reflects each board's share of high-needs students.

We also plan to expedite and streamline the assessment process and to ensure that the financial support and human resources are there to support these students with special needs.

In the budget, we took action—again in response to what we were hearing—to help boards complete the assessments they need to do as part of the ISA review. Indeed our government announced one-time assistance of \$10 million to help clear the waiting lists for professional assessment of high-needs students. This additional funding will be of particular help to rural, northern and French boards, which report that assessments tend to be more costly in their communities. Of course, at times they also don't have the human resources to do some of the assessment.

In this fiscal year, our government will also allocate \$10 million in capital funding to upgrade the provincial schools for children with disabilities. I was pleased last Friday to participate in a groundbreaking at the school in Brantford.

**The Vice-Chair:** You have two minutes, Madam Minister.

**Hon Mrs Witmer:** OK. I want to talk about teaching excellence, because I want to highlight the fact that we have outstanding, dedicated and excellent teachers who

work in this province tirelessly. We need to also remember the important role that teachers play in the lives of our students, and we want to ensure that they can do the best that they possibly can. So in 2002-03 we are providing \$10 million in one-time funding to develop further professional learning resources for teachers and principals. We also want to move forward to put in place a comprehensive approach to supporting teacher excellence.

**Transportation:** we transport 800,000 children every day. Our government is increasing the transportation grant in order that we can ensure that our students get to school safely, on time and ready to learn.

We've also introduced safe schools initiatives, the code of conduct, and of course, at the beginning of the last school year, we made some changes to the Education Act in that regard. We recently passed the Student Protection Act to help protect students from sexual abuse. Of course, we want to make sure that parents have a strong voice and an important role in their children's education system.

I want to conclude by saying that our government is fully committed to a strong public school system in Ontario, one that supports achievement, improvement and excellence in education. We want to make sure that we work with our stakeholders in order that we can support our young people in achieving their maximum potential. Thank you.

**The Vice-Chair:** Thank you very much, Madam Minister. The official opposition will have 30 minutes to respond.

**Mr Gerard Kennedy (Parkdale-High Park):** Madam Minister, with your co-operation, I'd like to ascertain some information in this section, if that's all right with you.

**Hon Mrs Witmer:** That's fine, Mr Kennedy.

**Mr Kennedy:** Great. There are a number of propositions you've put forward that I'd like to address in the course of doing that, but in essence, I want to talk to you a little bit about your role as Minister of Education currently and the three boards that you've taken over. I want to ask you, for the people who have children in those areas, people who pay taxes and support those schools, can your ministry produce a list of the cuts recommended by your investigator that you approve of? In other words, have you evaluated your investigator's recommendations? Did you proceed to the investigator having identified that there were things that children in these three areas do not require, that are surplus to their requirements? Could you share those with us today? Could you table for the benefit of the committee which of your investigator's recommendations the decision you made was based upon that money could be cut safely away from the children in those boards?

**Hon Mrs Witmer:** We haven't provided any recommendations. We are awaiting a report from all of the three supervisors in the three boards as to their plan for balancing the budget of their respective boards, Mr Kennedy.

1610

**Mr Kennedy:** But surely, Madam Minister, in the main, you must have reached, I'm sure, some kind of responsible conclusion that what the board members in those areas were trying to do was factually in error and therefore deserving of sanction. For this committee and for the benefit of the people in those areas, what facts do you rely upon in that decision? In other words, what can you share with us today that you hold that board accountable to have their democratically acquired powers surrendered in this fashion? Are there some examples, at least, that you agree with the supervisor? Because there's a fair bit of dollars coming out of, I gather, the board budgets. But it's what we're here today to examine, the part of it that comes from the province that was spent on this exercise. Surely, after this number of weeks, there are areas that the investigators identified that your ministry, with its number of very capable people here today, have validated and said, "These things aren't needed for children." I'm wondering if you can share some of those with us today.

**Hon Mrs Witmer:** I think we need to keep one thing in mind, and that is the fact that since 1933 it has been a requirement that all boards of education in the province balance their budgets. I think we need to keep that in mind.

**Mr Kennedy:** Sure.

**Hon Mrs Witmer:** I think we also need to keep in mind that in the case of all these boards they were presented with balanced budgets by their staff, and a small majority of trustees chose to take an action whereby they did not live up to their obligations.

**Mr Kennedy:** As I think you know from other experiences of this particular committee, this is the time when I hope to ascertain information, your willingness to provide it. You'll have another chance to respond. But I was hoping for a straightforward answer. Either there are factually based assessments that can be shared with this committee—that is, your ministry's analysis of what your supervisor provided that gave you the factual basis on which to send in a supervisor—or there is not. Could you respond to that directly, please?

**Hon Mrs Witmer:** Sure I can, beyond what I've already said. Why would you recommend that supervisors be hired? First of all, investigators can only recommend control and charge over the administration of the affairs of the board if their investigation—

**Mr Kennedy:** Minister, I'm going to interrupt you, through you, Mr Chair. This time is allocated to the opposition. I'm wondering if you could first respond directly to my question. Is there, yes or no, a factual assessment of the supervisor's recommendation for cuts to those boards? If there is not, I'd like to move on; if there is, I wonder if you could table it for us today. Again, we have a precious amount of time here to engage in this discussion of accountability, and I'm wondering if you could respond in that fashion. Is there or is there not a factual assessment on which your decision was based, and could it be shared with the committee today? I really



would appreciate your co-operation in this regard, Madam Minister.

**Hon Mrs Witmer:** The reason that you would appoint a supervisor is because there was evidence that was disclosed of either financial default or probable financial default, deficit or probable deficit, serious financial mismanagement.

**Mr Kennedy:** Minister, with all due respect—

**Hon Mrs Witmer:** In the case of Ottawa—perhaps you don't recall this—the bank had advised the board that there would be no extension on the line of credit, that they would not be able to meet their payroll to pay their teachers and staff on September 3 and 6.

**Mr Kennedy:** Minister, could I perhaps rephrase this question, and maybe the deputy, who is with you, can help me to clarify. What was the charge per hour or on what fee basis were the investigators paid? Could we have a very succinct response to that? Is it an hourly rate, a weekly rate, and how much in total was paid to Mr Rosen and the other investigators? Is there an available figure that we could have?

**Ms Suzanne Herbert:** Mr Kennedy, there—

**The Vice-Chair:** Please identify yourself.

**Ms Herbert:** Sorry, Mr Curling. I'm Sue Herbert. I'm the Deputy Minister of Education.

In answer to your question, the investigators were hired by the government in a normal contractual form. I would tell you that we don't have a final figure yet from the two investigators who went in to—

**Mr Kennedy:** Would it be more than \$5,000? Would that be fair? Or \$10,000?

**Ms Herbert:** I don't know that guessing at a number is—

**Mr Kennedy:** OK. So there is no number available?

**Ms Herbert:** More or less.

**Mr Kennedy:** Back to the minister: you've spent thousands of dollars, whatever the number is—I hope that means the deputy is prepared to share that number with this committee when it becomes available. Is that going to be possible?

Thousands of dollars were spent on an investigator's report. You knew that the banks or whoever took whatever position they did before you sent in an investigator. The investigators made a very specific list of things they recommended to you in your responsibility for these children that these children are no longer going to have: special-needs assistance, special-needs teachers, substantial programs here in Toronto.

Minister, that's what you got for your thousands of dollars. That's what you sent in and that's what you required. Surely a reasonable expectation of the people of this province is that you would give us your ministry's professional evaluation of the work you had done and the basis on which you used that to decide that you were right and the trustees were wrong. Is there any factual analysis at all that you can table here today where your ministry endorses the findings of the supervisors and therefore created the basis for your decision to take over these boards? Is there anything?

**Hon Mrs Witmer:** Any decision that the supervisor is going to make as to how he will balance the budget in the three respective boards will be based on consultation with staff, trustees and parents, and on the investigator's report.

**Mr Kennedy:** Do you mean to tell me that you've paid for investigative reports, you hired what are fairly expensive—Mr Rosen's going rate is \$350 to \$500 per hour. He is, as you've often referred to him, a forensic investigator. You didn't have him do a forensic engagement, so you've paid a lot for someone who went in there and gave you a list of cuts. I'm asking you, as minister, to tell me whether you and your considerable ministry evaluated his recommendations and used that as the basis—and could you be specific—for sending in the one person to take away the democratically elected board and instead install one. Is there any basis at all to show us here today?

**Hon Mrs Witmer:** I don't think you understand, Mr Kennedy, that there were three boards who chose not to obey the law of this province that the budgets needed to be balanced. As a result, in order to ensure stability in the system and in order to ensure that the schools were going to open in September, it was necessary for us, first of all, to hire the investigators. Don't forget that Mr Libbey in Ottawa had been asking for a year for an investigation—

**Mr Kennedy:** Minister, I guess what you're forgetting is that people want to know. You've spent thousands of dollars on these investigators—thousands of dollars—and the whole argument here is that there isn't enough money for these special-needs kids in Ottawa. You're telling us you spent the whole summer basically, I guess, without any evaluation by your ministry of what was going on in those places, without any fair-minded look at it. I guess we're led to believe that this was just a political smoke-screen. You hired an investigator and now you've hired supervisors.

Minister, this is a very expensive way to help you from getting your hands dirty. You are the Minister of Education. Either you arrived at a conclusion that these boards were harming children or this is just some kind of power play. Now, which is it? Did your ministry do any studies? Right now, you're not answering in the affirmative, you're sharing nothing with us, so I guess there were no studies done. This is just an exercise.

Minister, I'll ask you personally, in your capacity as minister, do you agree with the list of cuts that your investigators put forward, services that should be taken away? For example, in Toronto, I believe that about 5% are within the category of administration and all the rest are direct services to children. Do you concur with your investigator that those services should be taken away from children? Will you take some responsibility for your actions?

**Hon Mrs Witmer:** Mr Kennedy, I would just hasten to add that the plan for a balanced budget that is going to come forward from Mr Christie, Mr Murray or Mr Beckstead will be based on taking into consideration the best advice they get from trustees, people in the com-



munity, staff, and the investigators' report. We look forward to the plan.

**Mr Kennedy:** Minister, you made a weighty decision, for the first time—there's one other board example—in that you basically convicted these boards of not having done the right job for the children. You knew before, depending on the technical reading of things, that some of them could have been in a certain kind of technical breach. You have other boards that have been in that position, that have carried deficits forward. You acted in this case, and I've given you about 10 minutes in which to provide to this group, this worthy committee of the Legislature, any basis for your action, and you've provided none. You basically said you knew at the beginning of the summer; you knew at the end of the summer. I don't understand how that warrants the kind of money, except as a political smokescreen.

**Hon Mrs Witmer:** Basically, these trustees had a choice. These trustees could have, as 69 other boards in the province did, balance their budget, knowing full well, by the way, Mr Kennedy—

**Mr Kennedy:** Let's examine that. Let's look at their choice.

**Hon Mrs Witmer:** —that our government had already responded to the funding concerns by setting up the Rozanski task force.

**Mr Kennedy:** Minister, with all due respect, you will get an opportunity to respond. Let's look at their funding concerns. Do you at least agree that the board in Ottawa and the board in Toronto receive less money from you now than they did a few years ago? Do you agree with that as a statement of fact? Can you acknowledge that?

**Hon Mrs Witmer:** Let's first of all put on the record the fact—

**Mr Kennedy:** Minister, really, I have a very short time.

**Hon Mrs Witmer:** Do you know what, Mr Kennedy? Let's not play games.

**Mr Kennedy:** The Chair will be after this. I'm wondering if you could do us the courtesy of responding directly to the questions.

**Hon Chris Stockwell (Minister of the Environment, Government House Leader):** Chair, he asks the questions and the minister answers, as I understand it. Does she get to answer or not?

**Mr Kennedy:** Is that a point of order, Mr Chair? It is coming out of our time?

1620

**The Vice-Chair:** The interchange does not seem to have been disruptive to the minister.

**Mr Kennedy:** Minister, in 1997 the Ottawa-Carleton District School Board, according to your figures, had \$506 million to spend in operations. You offered them something a little bit more than \$486 million this year. When you take the mitigation funds and you look at how they applied them, they had \$12 million less to spend this year than they did last year. You apply the same figures to Toronto and they'd have about \$25 million to \$30 million less to spend this year than last year when mitigation is taken into account.

What we're looking for, Minister: do you at least acknowledge that it's your decision to cut their funding by ending their mitigation funds, by not giving them compensating funds, which puts them out of balance in terms of a budget? Do you at least acknowledge and take that minimum amount of responsibility?

**Hon Mrs Witmer:** Well, do you know what? We actually gave them their mitigation funding earlier. They had five years to balance their budget. And I want to add that there was a small majority of the trustees on the Toronto board who chose not to balance their budget. The board chair and another group of trustees actually were looking to balance the budget. They realized they had a responsibility. But I can ask the ADM—

**Mr Kennedy:** Minister, is there something about the questions I'm asking that doesn't deserve an answer? I really would like to have an answer.

**Hon Mrs Witmer:** I'm going to ask the ADM, and you know what? I think he might be able to give you the answers you're searching for.

**Mr Kennedy:** I would appreciate that.

**Mr Norbert Hartmann:** Norbert Hartmann, assistant deputy minister of education. In response to the question, Mr Kennedy, this year in Ottawa-Carleton the board received \$505,097,148. Last year they received \$492,466,000. So there has been an increase in Ottawa-Carleton this year of—

**Mr Kennedy:** Can you please provide to us the amount of mitigation funds that were applied in Ottawa-Carleton last year?

**Mr Hartmann:** The monies, as the minister has said, to Ottawa-Carleton were—

**Mr Kennedy:** Sir, honest, is there an amount of money, or could we then table that question and ask to have it brought back? My point is this, and I hope it's acknowledged on the government side: you provided a lump sum to the Ottawa board in the year 2000. Is that correct?

**Mr Hartmann:** That's correct.

**Mr Kennedy:** Are you aware how much of that was then sequestered, put aside, by the board and applied last year and used to help balance their books? Any idea?

**Mr Hartmann:** No, that we don't have at our disposal today, Mr Kennedy.

**Mr Kennedy:** Could those figures be tabled? I think it would be helpful to have the ministry acknowledge that. It's not a disputatious question; it's turning into one but it really is just a question. The board's figures, for the information of this committee, are that they had approximately \$12 million less available to them, not taking into account other pressures affecting them and other boards, this year once the mitigation funds were applied. Similarly, in net increases, Toronto had \$25 million less. If those figures aren't correct, could someone from the ministry please provide in some detail a comparison?

My point here, Minister, is that you made a decision to cut these boards, to pursue these cuts, and I'm wondering how you can come here today and have no factual basis on which to say that the services that were being cut were

validated or not. I wonder if you could comment on that, please.

**Hon Mrs Witmer:** I think the question has been answered, Mr Kennedy.

**Mr Kennedy:** No. My question is to you, Minister. I'm wondering, in the instance that the money has been cut from these boards—and you made that decision—how it is possible for you not to have to arrive at a factual basis for continuing to cut those funds? What are we to believe in terms of your decision if you bring no facts here to substantiate the decision you made to continue to cut these boards?

**Hon Mrs Witmer:** I just would hasten to remind you that these trustees who chose not to balance the budget—

**Mr Kennedy:** After you made cuts.

**Hon Mrs Witmer:**—have had the responsibility since 1933. There were 69 other boards in this province that did achieve a balanced budget, and there is a legal obligation to do so. So we have now asked the supervisors to work with the trustees, with the community and with the stakeholders in order to come up with a balanced budget plan.

**Mr Kennedy:** For your entire career as education minister you have been sitting on this problem with these boards, knowing that you were going to cut their money. What we've seen is weeks and weeks of expensive hired people—now public relations people, then supervisors, then investigators—and we still have no accountability from you for their actions. You won't tell us which services you believe can be cut from children. You've had detailed reports provided to you, you have the benefit of the entire ministry to draw on and you haven't provided one example today of what you think these boards were doing wrong in saying to you that they needed not to be cut in any of these services for children. I think that's a sad indictment.

I'll move on to another question. I'd like to ask you specifically about page 31 of the estimates book.

**Hon Mrs Witmer:** You should make a speech.

**Mr Kennedy:** Well, Minister, if you don't mind.

**Mr Norm Miller (Parry Sound-Muskoka):** Why don't you let her answer a question some time?

**Mr Kennedy:** It's not working so far, Mr Miller. I'm happy to have an answer.

Minister, on page 31 there is a list of some of the annualizations of promises that your government made, and they total approximately \$342 million.

I wonder if I could ask you to turn your attention to page 32. You're telling us in effect that the school board operating grant and some of the programs are being increased, but something we haven't heard of publicly yet is that some of these funds are being reduced by a total of \$94 million. I'm wondering if you or your ministry staff could tell us point by point which of these programs have produced—some of them are not well described—and the reason they are being taken out. What I refer to is vote 1002-1 and the \$94 million that you say to "wind down" but which essentially is being taken out of the budget this year.

**Hon Mrs Witmer:** I'd be happy to call on Carol Lawson to assist you in understanding that, Mr Kennedy.

**Mr Kennedy:** Ms Lawson, I wonder if you could help me. The first item on page 32 is \$30 million and the category is "other." I wonder if you could help us with what "other" means.

**Ms Carol Lawson:** All of these programs that you see here were time-limited programs within the ministry's allocation. So in fiscal year 2002-03 they were taken out. It was a program that only lasted a set period of time.

**Mr Kennedy:** Can you identify the program that's referred to as "other" or if there is more than one program?

**Ms Lawson:** It's more than one. I'm sorry, I don't have the details about "other."

**Mr Kennedy:** Could this committee be provided with a list of those programs?

**Ms Lawson:** I'll come back with a list tomorrow.

**Mr Kennedy:** There's a reference here to a JK to grade 3 reading skills program at the cost of \$24 million. On the previous page there is talk about an early reading and early math extension for \$20 million, but then there is the elimination of a program for \$24 million. Which program was this, how long did it run and why is it being cancelled?

**Ms Lawson:** The one on page 32, JK to grade 3, was a one-year program that was approved as part of our 2001-02 estimates. In fiscal year 2002-03, we had approval for an early math/extension of early reading program of \$20 million.

**Mr Kennedy:** So essentially one program, \$24 million, was cancelled and a new program, \$20 million, was started. Is that correct?

**Ms Lawson:** It wasn't that it was cancelled; it finished its one year.

**Mr Kennedy:** There is another reference here, and perhaps you can help me. It looks like Mr Eves's specific budget commitment of a certain amount of money to connect schools' computer purchases and so on made in the 1998 budget, here referred to as Connecting Schools. Can you verify what that is?

**Ms Lawson:** Connecting Schools was an Ontario budget initiative that had a four-year term, and this was the final year.

**Mr Kennedy:** Can you verify for me: I believe it was originally \$30 million, so half of it went unspent; is that correct?

**Ms Lawson:** No. We had \$15 million in fiscal year 2001-02, and in 2002-03 it no longer existed as a program, so we took the \$15 million out.

**Mr Kennedy:** OK, that's a better answer. Of the original \$30 million, how much was spent? Was all of it spent? How much of the original commitment was spent?

**Ms Lawson:** Of the \$30 million? I'd have to go back and check to get the actual figures. I don't have that.

**Mr Kennedy:** Could we be provided with that information?

**Ms Lawson:** Yes. Most of these reductions that are here are not in the school board operating grant.



**Mr Kennedy:** I understand, but you have an expanded line called "other transfers."

**Blueprint:** can you enlighten me what Blueprint refers to?

**Ms Lawson:** Blueprint refers to a number of commitments for the Ministry of Education in the areas of safe schools, teaching excellence and core subject testing in the Blueprint.

**Mr Kennedy:** Blueprint refers to the Progressive Conservative Party's political document?

**Ms Lawson:** Yes.

**Mr Kennedy:** I just think it's kind of unusual, wouldn't you agree, to have the Blueprint referred to as a government document when it's actually an election pledge of the Progressive Conservative Party?

**Mr John O'Toole (Durham):** It's not called Redprint.

**Mr Kennedy:** I'm sorry, but that is what it refers to? It refers to—

**Ms Lawson:** It refers to the programs that are approved by the government through our business plan process for teaching, yes.

**Mr Kennedy:** But Blueprint refers to the title of the 1999 election document of the Progressive Conservative Party. Could we have the details of the programs that were finished? They were one-time promises; is that what they were?

**Ms Lawson:** This is a one-time change in the cash flow.

**Mr Kennedy:** Yes, but that means the program ended or no longer requires funding.

**Ms Herbert:** If I might, Mr Chair, many of the initiatives that the government asked us to undertake, which were part of the education reform and labelled here as Blueprint—there were a number of one-time initiatives. For example, we might have started a new program and there may have been start-up costs and the purchase of learning resources. I just want to be clear that this does not represent programs ending. It may represent a legitimate funding of one-time costs.

1630

**Mr Kennedy:** If you could provide us with the details of that, we'd be in a position to know that a little bit better, if that's possible. I guess the same goes for the rest of the programs, if some level of detail could be provided, because what we want to understand here is the actual, true new spending. In the normal course of business, governments will start some programs and end others. We have so far heard about the programs the government is prepared to fund. We haven't heard about the ones that were ending or the government may be taking away, so I think it's important that we have that. But I would like to say I find it passing strange that Blueprint would find its way into a ministry document.

I want to ask you then, on page 31, there is column (e) and column (f), the usual columns for interim actual. I'm looking specifically at the transfer payments. It looks here like the proposed spending for transfer payments

was underspent by about \$80 million. Is that roughly correct?

**Ms Lawson:** Yes.

**Mr Kennedy:** Further, if I'm not mistaken, a number of the announcements that the Premier made shortly after the slightly new government came into power were made from the last fiscal year. The textbooks would be an example. Would that be correct?

**Ms Lawson:** Yes.

**Mr Kennedy:** Would they come out of that line in the budget?

**Ms Lawson:** The textbooks, the \$65 million? Is that what you're referring to?

**Mr Kennedy:** That's right. Would that normally be where we would find them?

**Ms Lawson:** That's where you would find them, yes.

**Mr Kennedy:** So in effect, then, what the government did was have money left over at the end of the year and allocate some of that to textbooks, is that correct?

*Interjection.*

**Mr Kennedy:** What line would we find it in, then, Ms Herbert? Another line for textbooks?

**Ms Herbert:** Sorry, I was just commenting on your \$8-million line.

**Mr Kennedy:** The \$80-million line? Which line do you think the textbooks are in?

**Ms Herbert:** If there is underspending at the end of the year, it's been a traditional practice of most governments to look at how they can reinvest that underspending in new programs or new activities. That's a very common practice.

**Mr Kennedy:** But factually it's correct, then, that it wasn't new money coming from the government. There was underspending and the minister and the Premier both allocated it to some of these announcements that we heard. Is that factually correct?

**Ms Herbert:** Yes, that would be factually correct.

**Mr Kennedy:** Could I ask, then, what is the underlying reason for the underspending? Is there some analysis we could have on which programs were projected and then underspent to create that room at the end of the year? Are there some principal features of that that could be shared today?

**Ms Herbert:** Generally speaking, because we base our projections on enrolment early in our fiscal year and because we're working with the government's fiscal calendar and the school year is a different calendar, we do projections from a fair distance away. Then as the school year goes through, depending on enrolment—you will have seen in many of your local communities, and in fact I noticed this last week, that school boards have now adjusted their enrolment. It's up or it's down, depending on where they projected them last year and where, as they go to the end of September, their actual enrolment is. So as that enrolment adjusts, some school boards go up in their funding and some school boards go down. That's the principal factor.

**Mr Kennedy:** Where would we find the enrolment adjustments, then? Could those be provided for us? What



you're saying is that your October enrolment and your April enrolment figures were different. Is that the main source of underfunding? Because what I would see there, and I'm wondering if you can verify it, is that the budget, until the last-minute promises were made, was scheduled to be underspent by some \$200 million to \$220 million, is that right, the value of how much the Premier promised at the end of the year? There were a number of programs paid for.

**Ms Herbert:** I'm not following your numbers. I'm sorry, Mr Kennedy.

**Mr Kennedy:** Just because numbers are easy to get away, is it possible to get a list, then, very specifically, of the factors that were underspent in that line?

**Ms Herbert:** Yes, we can do that.

**Mr Kennedy:** Further, a confirmation—I think we have from ministry releases but it would be helpful to have it together—of the announcements that the Premier and the minister made that were funded out of that unspent amount. That would be very helpful.

I'd also like to ask, then, the minister's viewpoint on some of the figures that were provided to us a few days ago. Minister, you may be aware—it came over your signature and I'm sure you see every document you sign and so on. But this was helpful preparation for this committee and people have it on their desks here today. One of them was slightly updated, although I was hoping we could get an even more current figure: the number for enrolment at private schools. Very specifically, you provided us with information to show that effectively the number of people attending private schools since your government took power is up by some 42%, and then you apply that directly, so you've got almost 110,000 people. That's almost 50% more than when you came into power. The number of schools being reported—I checked with the ministry Web site and there are actually 760 schools listed now. Maybe the ministry could correct me if that's different, but that's how many are on the Web site, which is an increase of about 32% in the number of schools. So basically what you're telling us, Minister, is that even though you've articulated yourself as a defender of public schools, under your government, private schools have grown 32% in the number of schools and something close to 50% in numerical enrolment. Is that not a very negative accomplishment for any government that would claim to be very dedicated to public education? I think inference can be directly made that a lot of parents are dissatisfied with the job that you're doing.

**The Vice-Chair:** Two minutes.

**Hon Mrs Witmer:** You know, it's probably about choice, and I think it's probably about the fact that we all have an obligation, Mr Kennedy, to work together to support the students in the public school system. It's time we set aside the politics and it's time for us to focus on providing the very best learning environment for all of our students.

**Mr Kennedy:** Minister, you endorsed a private tax credit that encourages children to leave the public system

and go into private schools. You've created lower standards in education, and clearly people are voting with their feet. There's a 50% increase in people leaving the public system for the private system, and that's because of conflict and turmoil that your government has initiated.

What I'm asking you is, are you concerned? You're the minister of public education. Are you troubled by the increase, or do you find it a satisfactory outcome that this many people, according to your own figures, are going to private schools? I'd like your response, please.

**Hon Mrs Witmer:** Mr Kennedy, I might agree with you. You said private schools have to be funded, but in a way that doesn't hurt public schools. I think it's very important that we build confidence in our public schools, and I think we can do it by working together.

**Mr Kennedy:** Do you have an opinion or not? Are you bothered by the large increase in children being sent to private schools? For the benefit of committee members who may not have looked at the figures in detail, this is the year before the only financial incentive given directly to families and children anywhere in North America is given: a 50% increase. Does this trouble you at all, or do we believe the Minister of Education is happy with this outcome and is sanguine about this state of affairs in Ontario?

**The Vice-Chair:** Your time is up, Mr Kennedy. I know that you'd like a response to that.

**Mr Kennedy:** I sure would.

**The Vice-Chair:** I'm sure the minister will respond to that some other way. Mr Marchese, you've got 30 minutes.

**Mr Rosario Marchese (Trinity-Spadina):** Minister, I just have one question for you. I don't want you to be overly tired, because you need to save your energies for question period tomorrow.

**Hon Mrs Witmer:** That's OK, Rosario.

**Mr Marchese:** On page 30 of your remarks, it says, "The budget stated that this \$20-million fund will provide \$5,000 to every elementary school to address student literacy." If you recall, in your budget—I didn't bring the book—you said that schools that meet and/or surpass the standardized test would get \$5,000. What you say here is that every elementary school will get it. Is there something different about this versus—

**Hon Mrs Witmer:** No.

**Mr Marchese:** It's the same thing?

**Hon Mrs Witmer:** This is \$5,000 that's going to go to every elementary school to address student literacy.

**Mr Marchese:** So it's going to every school?

**Hon Mrs Witmer:** Yes, it is.

**Mr Marchese:** During the budget debate you said that only those schools that meet and/or surpass. That was in your document, because that's where I attacked you, based on that—

**Hon Mrs Witmer:** I'm going to tell you that we're going to be providing \$5,000 to every elementary school to address student literacy.

**Mr Marchese:** That's so good. Was there a change of heart? Did something happen along the way to change your mind?

**Hon Mrs Witmer:** We're going to provide \$5,000 to every school.

**Mr Marchese:** You see how she learns? She listens to the criticism and then she says, "We made a mistake." That's very good. Elizabeth, that's very good. In that budget debate I remember attacking you very clearly. I even asked you a question about that and I said how stupid the idea is. Right?

1640

**Hon Mrs Witmer:** Did you take a look at my answer?

**Mr Marchese:** Your answers are always brilliant. They're standardized. They never change. They're eternally the same. It's brilliant.

You said in that budget—or maybe the minister wrote it for you; I don't know—only those schools that meet and/or surpass the standardized tests will get the 5,000 bucks. It was a dumb idea. You understand why, Elizabeth, because you're a former teacher and a trustee. If you give money to schools that do well, it's pretty dumb logic in terms of how you help those other schools that are not doing very well, because the ones that really need the help are the other schools that either cannot meet and/or surpass the standardized test. So in listening to my question and my attack, presumably you listened, but you didn't send me a note saying, "Rosario, by the way, I did listen to you. I understood your question and, see, on page 30 we changed it." I just wanted to ask. Very good, Elizabeth. There's room for learning.

**Hon Mrs Witmer:** We're lifelong learners.

**Mr Marchese:** A lifelong learner. That's why you cut continuing education, adult education programs. You've got to restore some of that funding, I urge you.

But I don't want you to get tired. I want you to listen to me for a little while. Just sit back. This is not for the benefit of those ministry people, who need not worry about what I'm going to say; it's for the benefit of the people watching. That's why we have a television here, so that you can hear my take.

Here's the problem, as I see it. You introduced income tax cuts many, many years ago. You knew that would suck money out of your provincial coffers. You knew that; you did too, by the way. I suspect Chris Stockwell and others told you it's a mistake to do it. He's not here now, but I suspect he was one of them saying this is wrong, because he did admit during the leaders' debate that was a wrong thing to do. But nobody listened to Chris, although I thought he was one of the smarter ones in that regard. You have now taken about \$10 billion to \$12 billion out of our provincial coffers every year. The problem is, it is not a commensurate giving away and taking from the public for income tax and PST and the like. So here is the problem. You have to take money from somewhere. Where do you take it from? There aren't too many places you can go, because education is a biggie, social services is the next biggie and health. You see, money has been taken and had to be taken from

those other areas to balance your budgets. You couldn't do it any other way.

*Interjection.*

**Mr Marchese:** You're going to have an opportunity too, John, later on.

So the problem is, our economist—the people's economist, Hugh Mackenzie—says you've taken \$2.2 billion out of the educational system since you came into power, cumulatively. The interesting disconnect is how you can say you put in more and Hugh Mackenzie, an economist, says you've taken \$2.2 billion. But you insist, you and the others, that you've put in so much more. I wonder, if you put so much more in the system, how come we have a crisis across Ontario? No, no, Elizabeth, this is my time. That's right.

**Hon Mrs Witmer:** I'm not saying a thing.

**Mr Marchese:** I thought maybe you wanted to intervene.

This is why a little while ago, about six months ago, the directors wrote a letter in unison to say, "We have a problem on our hands." Not individually, but collectively, they wrote you a letter—not you; the former minister—saying, "We've got a problem on our hands in education funding."

I would argue that if you say you put more money in, you wouldn't have all these people out there crying about all these cuts. Being so generous and magnanimous with our money, you certainly would have satisfied all of their needs, and yet there are people out there screaming at you, at your former Premier, God bless his soul, at the current Premier and others. My feeling is that wherever I've been, people are pretty angry at you folks, not just trustees, but teachers are angry at you, the very teachers you now praise.

You've got some fine words about the teachers—this is so nice—where you say that success would not have been possible without these great teachers of ours. It's amusing to hear you say that, because over the last seven years all you have done as a government is vilified teachers. You beat them up, day in and day out. From the first day you got into power, you beat them up. So I love to see this change of heart, how Elizabeth Witmer, the Minister of Education, really loves teachers. I think Ernie does too, doesn't he? I can't be certain, but I think he likes them too.

But it's good for the Minister of Education to finally like teachers, because I think we need them. Without them we can't deliver the great curriculum changes that you made, right?

So I wanted to say that I admire the change of heart, that you publicly say, "We've got to set aside politics." That's what you said. It's in quotation marks.

**Hon Mrs Witmer:** I did.

**Mr Marchese:** It's so beautiful: "We've got to set aside politics." Elizabeth Witmer is not going to be political any more. She might have been, but no longer, because now what really matters is the education of our kids.

**Mr Miller:** Good point.



**Mr Marchese:** This is good. And we have her on the record saying these things. It's really going to matter, because all the policy wonks are going to review these things and it's going to have a great influence on the general public. When they read the Hansard of these hearings, they're going to really learn a great deal.

So you cut \$2.2 billion. We have a crisis on our hands.

**Hon Mrs Witmer:** These are Hugh's figures.

**Mr Marchese:** Hugh's numbers, of course, because you tell us—

**Hon Mrs Witmer:** We've never quite been able to—

**Mr Marchese:** No, because the problem is that every time somebody says, like People for Education, "We've done a survey," your former minister would say, "Oh, they've done that." So then I would ask your former minister, "Well, did you do one?" Of course, you don't do any studies, because it wouldn't be useful to do studies where we might reveal, like People for Education, that there are serious problems in our system. I'll get to that in a moment.

So what you've done is, you've taken \$2.2 billion. How did you do that? You centralized education financing. You had to do that, you see, because if you didn't take control away from the boards, you wouldn't have been able to handle the money in your little hands, or at least in Mike's at the time.

So you took power away. They can't levy a tax. Only Mike Harris could do that, and now Ernie. And the beauty of centralizing it is that nobody will know. You'll be able to say, "Look at all the money we're pouring in. Look at the senior citizens, how much we help them, because they no longer pay the education tax," although they still are, many of them throughout the province, and especially in Toronto, where they pay about 35%. You suck all that money out of Toronto, God bless your soul, and you send it all across Ontario, because everybody needs to be equal, you're quite right. But they're still being penalized in Toronto, heavily, with the additional taxes they're paying to help out. But it's a good principle of socialism. You share the wealth, right? I don't mind that.

**Hon Mrs Witmer:** You'd like that.

**Mr Marchese:** I don't mind that at all. If we legitimately shared the wealth in a way that we're all satisfied, it would be great. But I want to point out that everybody is hurting. That's the point.

So you created benchmarks in 1997 that were deliberately set low and that would force boards of education to cut in order to meet those benchmarks.

People for Education have done some tracking over the last little while, in the last four years or so, and they show interesting numbers. You must have seen them. I think your previous minister disproves them or simply shrugs them off by saying that they're not really serious or they're not done professionally, I suppose. But those tracking reports that they've done reveal the serious cuts we've had to librarians. I don't think you dispute that, do you, Ted, their cuts?

**Mr Ted Arnott (Waterloo-Wellington):** I'm interested in what you've got to say.

**Mr Marchese:** I know. I was just seeing what you were going to say.

But we've had cuts in librarians.

**Hon Mrs Witmer:** I have a good PA.

**Mr Marchese:** He's silent, yes. He listens.

We've had cuts in librarians. Elizabeth, you as a teacher would understand that if you cut librarians, it's a problem, right? You cut librarian hours and times when students can visit. There are fewer librarians in most schools. You probably would admit that it's a problem. As a teacher, you'd probably say it's a dumb thing we're doing, because librarians are the ones who teach students the love of reading, and for literacy purposes they're important. For the purpose of the love of learning and reading, these are the very teachers who help other teachers to pass on the skills librarians have so they, in turn, could help their students on a daily basis with books and reading and the love of it. But under your watch, your government's watch, we've lost many librarians. I didn't bring the percentages with me but I don't think it really matters, for your purposes; it doesn't really matter. But I think the cuts were in the order of about 25%. This is serious.

ESL cuts have been incredibly high, anywhere close to 60% cuts in that field. You would probably admit and agree with me, as a teacher, that cutting ESL is a dumb, dumb thing and that if we get many immigrants, we need to help them as they come. While some, if they're at an early age, need little support, some need a great deal of support. You're nodding in agreement, of course.

1650

**Hon Mrs Witmer:** I'm an immigrant.

**Mr Marchese:** So was I.

**Hon Mrs Witmer:** That's right.

**Mr Marchese:** They put me back two years when I got here, by the way, and I always resented that, I must admit. I lost two years. I skipped one year, so I made up one. That was a good thing.

But a lot of immigrants need a lot of support, and they're not getting it. It's happening while you say your government has increased funding to boards of education. We're arguing that you're decreasing it. ESL is a serious problem, unjustifiably so—and reprehensibly so, in my view. Because if you let the immigrant children fend for themselves, it means there will be a lot of them who will be losers, who will lose out. We don't want them to lose out, but the effect, intended or unintended, is that many will fail or struggle.

We've had tremendous ESL cuts. All the studies that the elementary teachers' federation has done—and People for Education, which is an independent body monitoring what you do—show that the cuts to ESL have been deep. You can say what you want, and that's what you say normally in the Legislature and here, but the facts are different.

We've had cuts in music teachers. We all know through studies that people who study music do well in



mathematics, and socially it's a beautiful thing. We should be encouraging it, but we've had cuts to music teachers.

We've had cuts to physical education teachers. You, as a teacher, and everybody whether they're teachers or not, will agree it's a good thing to keep people healthy. We're getting cuts in physical education. I don't know how you encourage it if you don't have physical education teachers. You could spend millions to publicize the fact people should exercise, I suppose, but I think one of the ways you do it is through physical education teachers. That's my view. We've had cuts in that field.

We've had cuts in educational assistants. You will agree with me, Elizabeth, because you were a teacher, that educational assistants are important. They're particularly important in special-education classes, because if you're dealing with severely needy children in terms of behavioural and/or physical problems and you don't have an educational assistant in the classroom, it's a serious problem. It means that teacher dealing with eight or 12 students, or possibly four students where they're in severely bad shape—they fend for themselves; they're on their own. We've had tremendous cuts in educational assistants, and your supervisors are recommending more cuts to that category.

We've had cuts to secretaries. As a teacher, you would know secretaries are key people in schools, sometimes more key than many other people. They're not teachers, but they're key almost in terms of the running of the school. They're key to making sure you answer the phone if somebody's calling with a problem, either a student connecting to the family or the family having to connect to the student, the school, the teacher or the principal, and we're cutting secretaries.

We've cut caretakers. I was in Lakeshore the other day and one principal said, "We used to have 14 caretakers; we now have six." It's across the board. Public boards and Catholic boards are losing caretakers by the thousands across the two systems in Ontario. I know they're not teachers. They don't teach kids, but they clean schools. Maybe you expect teachers to clean up after themselves and after the kids at the end of school—I'm not sure. You've cut caretakers. Somebody's got to clean.

All of that has happened under your government, Elizabeth, and all the while you poured so many more millions and millions, record expenditures, into the field of education. It's amusing to think that all these people have been fired, let go. I don't get it. Vice-principals are being fired or at least many have been let go, and principals are sharing schools. We're twinning schools so that people can run back and forth from one school to the other. We've closed schools. You say, "We've always closed schools," but you will never admit that your funding formula has forced more school closures than ever before.

People are travelling long distances to get from one school to the other because we've cut transportation budgets. While you've been investing so many more millions and millions of dollars in the education system,

we're getting cuts to the transportation line. In northern Ontario—I don't think you have to go so far north—some students travel more than three hours.

Ted, are you listening, because the minister is busy.

**Mr Arnott:** I'm listening intently.

**Mr Marchese:** They're travelling more than three hours at a time getting to school. This country's big. Ontario is three times bigger than Italy. It's a big country. You've got to invest in transportation so that students don't spend a lot of time travelling to and fro. If you close schools and they've got to travel a longer distance, it's a big problem.

When schools close because of your funding formula, I argue and say to you that it's a problem; it's a mistake. So many of our schools are the hub of social community life, they have argued. When you close one school, a whole lot of real estate people are worried about what's going to happen, a whole lot of businesses worry about what's going to happen to their community, a whole lot of communities worry about what will happen to their little community if they have to go to another one to get their needs addressed, not having a school in their area. But you and your previous ministers say, "But it's always happened. Liberals have closed schools. New Democrats closed schools." But you never say how many schools have closed because of your funding formula restrictions that have made it so very difficult for our schools.

Social workers have been let go. Social workers are an important part of the system. If people need help, they go to a social worker. I suppose they could contract that out. I'm not sure how many schools have the money to contract out that service. We're cutting back on social workers, and in some cases psychiatrists, where school boards have had psychiatrists.

The salaries line: OPSBA argues they're \$590 million short for salaries that they normally would expect from you, Elizabeth, and it's not flowing out to them. Therefore they've got a problem in terms of how they negotiate with their teachers.

**Hon Mrs Witmer:** They talked to us about it.

**Mr Marchese:** I'm sure they did.

**Hon Mrs Witmer:** And we're listening.

**Mr Marchese:** See? Elizabeth listens. That's why we're going to have a change, a different direction in education. With Ernie listening and you listening, it's going to be a great province under your watch for sure.

So 590 million bucks short, and boards don't quite know what to do. How do they negotiate fairly with their teachers when they don't have the money? Let's just say they're wrong. It's not \$590 million. Let's say it's \$500 million.

**Hon Mrs Witmer:** Three hundred.

**Mr Marchese:** Three hundred, Elizabeth. It's casino politics, I suppose. But even that is a lot of money, wouldn't you say? If they were \$300 million short, it's a lot of money, right? Of course you agree.

We have a problem, Elizabeth. The crisis isn't just in Toronto, Ottawa and Hamilton. You know that. If you didn't know that, you wouldn't have spent \$1.4 million

on public advertisements to defend yourselves by saying trustees are bad, they're dysfunctional. You're not, because you're not political. They're dysfunctional. You poured in all those millions and millions of dollars for quality education because you really care. You wouldn't have spent that money on those big ads in the Toronto Star, the Sun and the Globe just to say how great you are. How do you find the money? I thought we didn't have any money. Where do you find that kind of money? I know you're feeling some fear, so you need to continue to convince the public that you're spending heaps of money on education.

But this problem is not limited to these three boards. I know it, you know it and so do your members, because when they go to their own ridings, even if they don't talk to the boards, the boards talk to them. Even if they don't talk to the trustees, the trustees talk to them. Even if they don't talk to parents, the parents are talking to the MPPs. The MPPs are coming to your regular meetings, as they did to ours when we were in power, and they report.

**1700**

Ernie Eves would say, "What's up in your ridings?" and people would say, "We've got a problem. Hydro's a problem; we're getting a lot of heat." A lot of them would say, "Education is a serious problem; we're getting a lot of heat." That's why you appointed Rozanski to review the funding formula, because you were getting a lot of heat. That's the change of heart. It's not because you're softer these days, Elizabeth, but because in reading the polls and the members coming to you and saying, "We've got a problem," you are saying, "What do we do?"

The crisis is prevalent, pervasive and in every board. And everywhere I have been they've told us—in Kingston, in Guelph, Windsor, Ottawa, where I've been; Howard Hampton's been in other places. What they all say is, "We have had to make cuts to programs to balance our budgets, and we cannot do it any longer." Not only that, Elizabeth—you know it and I know it—they're using their reserve funds. Their reserve funds, you probably know, because you were a trustee—you might remember about reserve funds; people put aside money for rainy days over a long period of time. Some could have had it for 20 years or however long. It's for rainy-day kinds of stuff. So not only did boards cut programs to meet your balanced budgets; they had to use their reserve funds. So when you say, "But 69 other boards have done it," they've done it by cutting programs and they've done it by using reserve funds. They don't have any left. Many boards don't have any more reserve funds. They can't go into that piggy bank any longer.

You understand, Elizabeth, we've got a serious problem on our hands, right? As I see it, this is what you have to do. Rozanski will bring a report to you, which may be in November or February. I suspect you might delay it a little bit. Not directly; I mean, you wouldn't go to Rozanski and say, "Bring it in January." But you wouldn't push him to bring it in November.

**Hon Mrs Witmer:** Yes.

**Mr Marchese:** That's good. My suspicion is that he won't have it by November, that you're going to push it up a little bit. This is what I think you might do. The choice you have is, "Do we fix this problem now, before the election, or do we wait until April when you call the election?"—not you, but Ernie. Then you can say to the public, "If we get re-elected, we're going to fix the funding formula problem, because we are listening."

So these are the two choices as I see it, in terms of what you're going to do. But you know you have a crisis on your hands. You do. You just have to pretend that you don't, and you just have to pretend that the trustees of the Toronto, Hamilton and Ottawa boards are just being bad. All those Liberals and New Democrats are just beating up on you. That's really what it is. It's not the others; just the Liberals and New Democrats playing politics with you. It's not because they have a serious problem with funding; it's politics.

I have to remind you, Elizabeth, when I was a trustee in the Toronto board, we attacked the Conservatives. By the way, I got re-elected even though we accepted an increase.

**Hon Mrs Witmer:** A small one.

**Mr Marchese:** But just to come back to this, because you were so generous or gracious in not answering my question with something other than what I asked you. We argued then that we, as trustees, who were doing full-time work deserved to be paid like city councillors because we felt education was important. That was the rationale for the trustees saying, "We should be paid like city councillors," because we felt education was a full-time job. We got re-elected, all of us, which must have meant that the public supported the work we were doing, in relation to the answer you gave to my question. But that was an aside.

What I wanted to say was that the trustees, no matter who was there, attacked any government that did not treat boards well. We attacked the Conservative government, we attacked the Liberal government, and they attacked the New Democratic Party when we were in government—all of them, unanimously—not because they were New Democrats, Tory or Liberal but because they defended public education.

You might say that these days these three boards are all so political and it's different than it was in the past. But I'm telling you, the trustees were there to defend public education, and it didn't matter who was in power. New Democrats were our most vicious opponents when we were in power, just for your own benefit.

Private schools: private schools are a serious problem, Elizabeth, and you know it. You know that when the system is in crisis, whether you do so deliberately or not, whether John Snobelen really knew what he was talking about or not, when the people believe that the educational system is in crisis people begin to consider the private school system.

**The Vice-Chair:** You have two minutes, Mr Marchese.

**Mr Marchese:** How time flies.



The growth of students in the private system has been very, very steady and deliberate. People who are angry with the public school system in terms of how bad it's getting are running to the private school system. They ran before you gave them the tax credit, as was mentioned earlier, and now they will run even faster to it. You have contributed to that increase by deliberately creating so many deficiencies in our system, by deliberately making our system so bad and vilifying our teachers so strongly that a lot of them said, "I've had enough," and they went to the private school system.

Elizabeth, I wanted you to have the benefit of my remarks so that we wouldn't interfere with each other in terms of questions and answers. Thank you for listening.

**The Vice-Chair:** Madam Minister, you have 30 minutes to respond to that eloquence and some of the questions that were raised in the last hour.

**Hon Mrs Witmer:** I do appreciate the comments that have just been made by Mr Marchese. I know that Mr Marchese is sincerely committed to the educational system and the students in the province of Ontario and has worked very hard on their behalf.

You mentioned the fact that people have attacked governments in power and criticized education funding. I think that's what you said.

**Mr Marchese:** Trustees.

**Hon Mrs Witmer:** Trustees have done that. I would suggest to you that the word "attack" is too strong. Based on my own personal experience, having been a trustee between 1980 and 1990, yes, we were critical of the government in power, whoever that government might have been, but I don't believe we ever attacked that government.

I will just draw something to your attention that I found last evening. When I was chair of the board in 1989, at the inaugural board meeting, and that was my fifth and final year as chair of the board, I identified three personal objectives. Number one was I wanted to draw attention to the critical underfunding of public education. I believe that's what you're talking about doing as well.

I mention that simply because this is an ongoing issue. Regardless of the party or government in power, there has long been perceived to be a critical underfunding of public education. I think in the past the way boards have dealt with the issue vis-à-vis the government has probably been different in how we approach the issue. I just wanted to stress the fact that this whole issue of funding of education is not one that is new. It has been around for a long, long time.

I just want to also highlight the fact that we are increasing funding for Ontario's public schools this year by almost \$400 million. That's more than the \$360 million that we announced last year.

Mr Marchese, you referred to the fact that there were these reductions that had been made in employees, whether it's librarians or social workers or what have you. You and I, being trustees, both know there are grants that flow to school boards that allow them to make those decisions. It's not the provincial government that

determines the type of position that's going to be funded or how many teaching assistants are going to be funded. Those decisions are made by local boards of education in response to the needs of their community and obviously in response to the input that they receive from their community.

Again I would say, we continue to expand the level of funding, and it's up to the school boards to determine how they can best make the funding available to meet the needs of their students.

1710

I want to add that with our increased investment our spending on public education today has just increased from \$13.86 billion to \$14.26 billion. That's a 2.9% increase and we know that enrolment has not increased by that number. I've mentioned that before. In fact at least half of the boards are seeing a drop in the numbers.

We also need to remember that simply increasing funding is not going to guarantee our students receive the best education. We need to make sure the funding is allocated to students in a way that will provide a maximum benefit to the students. That's why we introduced the funding formula. That's why we have really stressed the need to focus on providing equal opportunity to all the students in Ontario.

I'd like to quote from the president of the Ontario Catholic School Trustees' Association who said, "The foundation of equality of educational opportunity for all students upon which the funding model is built must be maintained." She goes on to say, "This model is a significant improvement for all students who attend school within assessment-poor boards. These include Catholic, French and rural public boards as well." She also goes on to say that the model is not adequately funded. I want to put it out in totality.

We need to build on the funding model. We need to make sure that we continue to have the equality and the fairness, and we need to ensure that we are able to adequately meet the needs of students in Ontario. We appreciate the input and the advice we are getting from people across the province.

I would just hasten to add that Dr Rozanski certainly intends to present us with his recommendations in November. I would also tell you that, as we've said from day one, they will influence the funding of education in the year 2002-03. That's also the year we introduce multi-year funding to school boards so they'll have a better ideal of the long-range commitment the province is prepared to make, something they've asked for for a long time.

We are going to continue to work with our school board partners, with our trustees. These are hard-working individuals. They don't get the salaries trustees used to receive. They are doing a lot of hard work and are trying very hard to respond to the needs of people in their community.

I want to talk a little bit about transportation. It is important that we make transportation safe and efficient and accessible. Right now we are taking a look and



refining the transportation grant. We have an advisory committee that has been working with the ministry, and we are developing, as you know, a new model of transportation funding. We hope we can put that transportation funding model in place in the very near future, because it is important that all boards receive their fair share of the funding allocation.

I would just like to let you know that we are providing this year a total of \$631 million for transportation. That's very important. The provincial budget also extended the Ontario school bus safety tax incentive to January 1, 2006. Student transportation funding is an area of interest. It's an area where the Education Equality Task Force will be looking at recommendations from the public to make sure that the money that is presently allocated is indeed responding to the needs of the students.

You mentioned ESL. I actually responded to that question in the House today. We have increased funding to boards for English as a second language every year since the introduction of the student-focused funding formula in 1998-99. In fact, the funding for ESL in 2002-03 is projected to rise to \$168.5 million. That's an increase of \$57 million, or over 50%, compared to ESL funding levels in 1998-99.

In fact, I'm just going to review: in 1998-99, we gave \$111.3 million; in 1999-2000, \$122.3 million; 2000-01, \$154.3 million; 2001-02, \$156.5 million; 2002-03, \$168.5 million. We are strong supporters of English as a second language. In fact, this province does a wonderful job of responding to the needs of immigrants arriving on our shores.

I would agree with you, Mr Marchese, that we need to continue to make sure that when our students arrive they have the opportunity to develop strong English language skills. We know that's going to help them to achieve success in life. Actually, I've had people from other countries come and take a look at our program here in order that they can make sure that they support new immigrants coming as well. We're doing our part. I just wanted to let you know about the commitment of our government to those who come to our shores seeking to take up residence in our province, and certainly I appreciate that.

As far as student achievement, I talked about a program that I think is doing a lot to help with improving achievement in reading skills. It's that support for schools that need extra help. What we are doing is we are having literacy specialists working with school improvement teams to diagnose areas for improvement. We are setting specific targets for improving reading achievement over three years. We're providing support and resources, and there is additional support for schools that need this extra help. We believe it's going to contribute to the long-term capacity for success in these schools. We're working with the key members of the team, and that is teachers and parents. They're helping to set the targets as members of the school improvement team. I mentioned that there were 16 schools that already are in part one of the program. Another 14 schools are going to be identified to participate in this program.

Certainly, again, we need to recognize that there are always going to be people who need extra help. We have to make sure we work with teachers and the community to ensure that students will have the success that's going to be necessary for later life.

All in all, I appreciate the comments that you've made. Certainly, Mr Kennedy, I appreciate—I guess they weren't so much comments as questions. You've obviously demonstrated that you're quite interested in the supervisors whom we have appointed.

I just want to talk to you a little bit about what I perceive to be the successes of the supervisors. I'd like to turn to Mr Beckstead, for example, in Ottawa. Mr Beckstead, number one, has ensured that the schools will open safely and on time in Ottawa. I think I mentioned the fact that the bank was not prepared to extend the line of credit to the Ottawa board. There was some concern about the ability of the schools to open and also whether or not teachers were going to be paid. Mr Beckstead has made sure that the bank did not foreclose and shut down the board. He has ensured that teachers and staff were paid.

1720

Another very significant point is that he lifted the hiring freeze for teachers, which has made room for young, innovative teachers to be hired by the board in Ottawa. In fact, there were approximately 150 teachers hired who are now working in the classrooms as a result of him lifting the hiring freeze. I think that's really important as well.

If we take a look at the Ottawa-Carlton board, their funding is projected to increase by \$12.9 million this year. It's an increase of 2.6% over the current school year. Again, Mr Beckstead is going to be working with all of the partners in education to make sure that the budget can be balanced over the long term. I think that's important. He's certainly doing what he has been asked to do.

I would just remind you, Mr Kennedy, that the decision to appoint the supervisors was not made lightly. I would remind you again that it is a legal requirement that the budget be balanced. Unfortunately, a small majority of trustees in each board chose not to balance the budget, and as a result it became necessary to send in the investigators. Their recommendation was to appoint supervisors. We accepted that recommendation.

Having said that, there is stability in all three of these school systems. We have been in communication with parents. For most parents, what they really appreciate is the stability in the school system. I think, as we move forward, we all have a responsibility to work with one another and focus on building on the strengths of the system and continuing to ensure that there's stability in the schools and putting the students first.

I just want to talk about teacher recruitment and renewal. I have always been a strong advocate of teachers. I think they do a fantastic job. In fact when I go back to the December inaugural board meeting of 1989 and my three objectives for the next 12 months, aside from

drawing attention to the critical underfunding of public education, I also said that I wanted to affirm and recognize the central role that our staff play in providing quality education.

Knowing that dedicated, qualified teachers are the backbone of our system, knowing that we need to have an adequate supply, we are now funding 6,500 student spaces at Ontario's education facilities. That's up 30% from 1998-99. Between 1999 and 2004, we are investing \$45 million to fund these spaces in our faculties of education. We're also working with the Ontario College of Teachers and the Ontario Teachers' Federation to develop an action plan in order that we can recruit and encourage the best candidates to the teaching profession.

It is an honourable profession. I continue to get pretty excited when my daughter's friends and my son's friends tell me they're going into education. Myself, having been trained to be a teacher, I can tell you that you have the opportunity to have a tremendous impact and influence on our students, and to also support them in developing self-esteem, in order that they can achieve personal success in life.

We've also established a government stakeholder working group to address teacher recruitment. We relaxed the teachers' pension plan rule, to allow more retired teachers to work up to 95 days each year as substitute teachers.

So, again, we are going to work very hard with the partners in education, our teachers, to make sure that we have dedicated and qualified teachers in our system.

Special education is an issue that will always be, I think, an area where we need to continue to listen carefully and try to respond as best we can to the needs of our students. I believe we're doing a much better job today than we did many years ago, but I think there's always more that needs to be done. We need to remain vigilant and to provide the appropriate funding and the human resource support to those students who have special needs, because they need the opportunity to develop to their maximum personal potential.

As a government, we have increased special-education funding since student-focused funding was introduced, an increase of more than 17%. More importantly, what we have done, which did not happen before—Mr Marchese, you would know that as a trustee—is that our government has kept its promise to protect the funding for these students who have special needs. We are holding special-education funding stable at \$1.37 billion. It's more than any other government in Ontario history has ever contributed. We are making sure the money goes to those students with special needs. Also, I can commit to you that no board will receive less intensive support funding in 2002-03 than it received last year. We will continue to take a look at where we can help those students who have special needs. We provided \$200 million in flexible funding this year and boards can use that money to respond to local priorities in areas such as special education.

We need to continue to work with teachers, parents and people in the community on a multi-year plan to

promote continuous quality improvements for special-education programs. We need to provide, as parents have asked us to do, greater accountability, province-wide standards and more funding. We've also identified this as an issue for Dr Rozanski. We've asked him to tell us specifically whether the current approach to funding special education is the most responsive way to meet student needs. Personally, I'm looking forward to hearing those recommendations because, as I say, this continues to be an issue of priority, particularly for those parents who have students with special needs. We need to ask ourselves, is the funding approach we have today really the best one? If not, if it's not the most responsive way to meet student needs, we've got to look at another model, because we have a responsibility to somehow meet the needs of these students.

I want to talk a little bit about the fact that we have two pots of money for special-needs funding. We have the SEPPA funding, which is the special education per pupil amount, and we have what's called ISA funding, which is the intensive support amount. The special-education grant provides funding for exceptional students and students with special needs in two components. The special education per pupil amount, which is approximately \$730 million, is allocated to boards on the basis of enrolment to cover most of their expenses in meeting the needs of their exceptional students. Then we have the intensive support amount ISA, which is approximately \$640 million and is determined through a validation process that requires school boards to submit claims to the ministry for student files that meet ISA criteria.

We need to remember that ISA funds are not attached to individual students. They're provided to boards in delivering programs and services to students who have particularly high needs. What we are doing is responding to the key recommendations of the ISA working group. We're reducing the amount of paperwork. We're making the validation process more predictable and more responsive. We've got to make sure we do everything we can that ensures that the results and the information provided to us responds to the needs of the students within our care and support. I'm pleased that, in the budget, we announced this year that we would be helping boards with one-time assistance of \$10 million to address the waiting list for professional assessment of those students who have very high needs, because it's important that we complete the ISA assessment in order that we can appropriately provide funding to the boards for those students with very high needs. Again, the whole issue of special education is one that I can tell you is of great importance to people in Ontario. I know it's certainly an area of interest to and strong support by our Premier, and we need to continue to do what we can in order to ensure that we are able to respond to our students' needs.

1730

**The Vice-Chair:** There are just over 60 minutes left, to be divided into 20 minutes for each party.

**Mr O'Toole:** I thought there was five minutes left.

**The Vice-Chair:** OK, you may use that five minutes.



**Mr O'Toole:** Thank you, Minister, for presenting here today. I have the greatest respect for the genuine nature of your presentation today. I think the word I am very comfortable with is the word you've repeated a number of times, "stability." I think when you're dealing with children, the most stable environment you can provide for learning is certainly something that's been lacking with the somewhat controversial environment that children have had to survive for the last couple of years.

Looking at page 26, the first thing is the testing results, where you took some time to recognize the achievements as a result of introducing province-wide testing. I know that a comment you make here really sums it up for me. It says, "Students, teachers and parents are all to be congratulated for these significant achievements." I applaud you for recognizing that and putting it on the record. I'll certainly be sharing that with my constituents, schools and school councils that I visit on a fairly regular basis.

I think, more importantly, if I look at the sections as you've broken them down, the section on teacher excellence—again, you went out of your way. When pondering your comments today, I'm sure you put a lot of time into providing your views and your personal signature in recognizing the important contributions of excellence in teaching.

On page 35—I think it's important to say—"We believe our teachers deserve support in their ongoing efforts to continue learning and upgrading their skills." As we know, the world of technology and convergence demands that each of us improve our daily commitment to keeping abreast of change. You've added \$10 million in one-time funding to develop further professional learning resources for teachers and principals. I think actions speak louder than words, and sometimes, certainly, your actions have spoken louder than some of the critics I've heard. I commend you for your input here today.

I do have a couple of what I'd call reasonable comments, one of them because it's sort of close to where you live. When I was parliamentary assistant to the Minister of Finance, they had the finance and economic affairs committee meet in Waterloo in March 2002 in preparation for the budget. I have a comment here that has really still troubled me, because it's all on this whole debate of special education and ISA funding. I'm going to quote from Warren Grafton, who is part of a union group Together In Education. I know from your remarks today that this isn't the tone you want to set, but I want to make it clear there is that tone out there on the other side that is not productive. It says:

"This ISA process, this special education process that has been developed in the last few years by this government, has turned special education into a numbers game. I'll make it very clear to you: we can play it. If you want to play it, we'll play it, and we're getting better at it. Back in the year 2000, this board had 60% approval of their ISA claims. This year we put 120 new claims forward and 119 of them were approved. If you want to play a numbers game, we'll do it." This frightens me: "We'll do it at a cost to the student."

Now, I can go on, and I don't want to characterize this individual, but if that theme rests there as this belligerent, "we'll win at the end of the day"—the vulnerable children we're speaking about, the ISA children. I was told in that meeting—and I don't have the direct quote here, but you can quote the day—that they spend \$6,000 to \$7,000 per assessment. Using the numbers in the system, they're wasting a ton of money on these multiple assessments. That won't leave me. That will be with me in this whole debate.

One more comment. The rigorous opposition by OECTA, which I monitor quite rigorously myself—reporting on the minister's plan to professional development, this is a quote from their latest circular that goes through our schools—

**The Vice-Chair:** Your time is up.

**Mr O'Toole:**—"OECTA reiterates its opposition to any policy that imposes compulsory professional development and ... re-certification." It goes on to talk about its boycott of those facilities, like Queen's University, that want to offer these professional courses. That's outright blackmail. That profession, under the union leadership, is mischaracterizing individual teachers in their legitimate efforts.

**The Vice-Chair:** Thank you very much.

Mr Kennedy, 20 minutes.

**Mr Kennedy:** Minister, I'm sure you appreciate the help you're getting from Mr O'Toole in extending an olive branch to teachers and so on.

I will take up his absolute mischaracterization of the special education formula. Your predecessor has had a number of opportunities to talk about the ISA funding. What Mr O'Toole refers to, in fact, is a requirement of your ministry, a documentation of need, a duplication, a triplication, a deduction away from individual children in need, which apparently Mr O'Toole endorses.

I just want to give the committee fair notice that that will be a focus of future questions here, and we will bring in the families who are negatively affected by this. Because, Minister, according to the Ontario Principals' Council, according to individual school boards, millions of dollars are being diverted by your ministry away from children to justify reductions in funds.

The part I'd like to address right now with you is, when it comes to special education and other components of the funding formula—you ran as a leadership contender in the Conservative Party and said to us that the funding formula could be reviewed in 90 days. We're far, far past 90 days. I'm wondering, Minister, should we believe that your government is less than capable because the review isn't complete at this time? Some of us were less than serious leadership candidates in the sense that we didn't have government experience. You knew what you were saying, I presume, and I extend that courtesy and respect to you. You said 90 days. You said that within 90 days the funding formula would be reviewed, and that 90 days held out a prospect that you would change funding in time for the current fiscal year.

I heard you say, by the way, and I just want to verify, that you will use the recommendations of the Rozanski



commission for changes in the 2002-03 year, which is of course the year we're currently under. I would like you to comment.

So what I'd like to ask you is, the funding formula changes, you've said they could be done quickly. How should we take the fact that they haven't been completed, that in fact we're many, many weeks beyond the 90-day limit you put for yourself?

**Hon Mrs Witmer:** Mr Kennedy, I think I erred. The Rozanski recommendations—when it was announced that Dr Rozanski would undertake this review, which he is doing presently, the recommendations will be influencing 2003-04.

**Mr Kennedy:** Thank you for that clarification.

**Hon Mrs Witmer:** However, that's not to say that some of his recommendations might not have an impact on interim funding this year. I guess we don't know that, Mr Kennedy.

**Mr Kennedy:** That's exactly what I'd like to know. Minister, you have had the benefit of input. You made a number of comments about problems in the funding formula, and yet here today, for example, you spoke about ESL as if it were a fait accompli.

Now, I talked to the coordinator of ESL in Peel region, and they would need to double the resources to go back to the levels they had before your funding formula started.

You were kind enough to tell us what happened from 1997 to now, but before 1997 they offered a higher-quality program. Minister, in a number of boards in this province, children who come to this country who need to learn English are being put in special-needs classes because your funding formula has reduced, not increased, their chances of learning English.

I want to give you a chance to clarify your fulsome celebration of your government's policy on English as a second language. Does that mean your mind is closed and there will be no fixing that problem where York region, for example, says they have three times as many students in that board as they have funding to provide English as a second language services for? I just want to be clear. Are you listening to that, or have you made up your mind?

1740

**Hon Mrs Witmer:** Mr Kennedy, I think you're very aware of the fact that our government has been listening and has been responding to people in this province since 1995. In particular, since Mr Eves has become Premier we have been most responsive when it comes to the whole issue of the funding formula in order to ensure that the model best meets the needs of students.

Whatever recommendations are being made to Dr Rozanski, we will very carefully consider all of those recommendations. But I would remind you, as I reminded Mr Marchese, that local boards have a tremendous amount of flexibility as to how they choose to allocate money. I guess the funding formula has become a scapegoat for all of the ills of the system. I can tell you

that our minds are open and we are prepared and will always be prepared to be responsive.

**Mr Kennedy:** It's hard to interpret. I attribute your conclusion as one you're entitled to, but I would think any reasonable person listening would wonder whether, when you say it's been set up as a scapegoat and so on—you were more fulsome when you were a leadership candidate. You said the funding formula was flawed. You said it could be reviewed in 90 days, with the implication that something could be done about it. Now you and the Premier together—maybe it was just a rejection in cabinet—decided not to do anything about the funding formula this year, decided to not do any substantial changes to the funding formula despite the evidence that's been put in front of you time after time.

You have with Mr Rozanski a more modest process. You've had in the past an effective schools task force with Mr Cooke, formerly of the third party. You've had other pieces of advice around amendments to the funding formula. You chose, and your government chose, not to act on those fundamentally. I guess what I want to find out from you is, if Mr Rozanski or if other people establish that there are flaws in the funding formula—I want to put the criteria this way—if children's education is suffering this year, will you reverse your decision and make changes to the funding formula this year? Will that happen?

**Hon Mrs Witmer:** I think you're not listening, Mr Kennedy.

**Mr Kennedy:** Minister, it's slightly different than what you said before. You said you would be open to Mr Rozanski's changes, but I want to know, if even ahead of Mr Rozanski some of these long-established areas can be proven—are we waiting for Godot, waiting for Mr Rozanski, or are you still the operating Minister of Education?

**Mr Marchese:** That was a good play.

**Mr Kennedy:** Yes, it was. Would you make changes to this funding formula? Is your government prepared to do that ahead of Mr Rozanski if the proof has been put to you?

**Hon Mrs Witmer:** We already have, Mr Kennedy. Again, I would just remind you, and I know sometimes you forget these things because you're focused, we have announced a considerable amount of new money. In fact, we've announced the \$65 million for new textbooks, \$25 million for the early math and early reading strategy, \$350 million—

**Mr Kennedy:** Minister, I'm going to ask you to pause there, because if there's—

**Hon Mrs Witmer:** —\$117 million—

**Mr Kennedy:** If you don't mind, we have such a short period of time.

**Hon Mrs Witmer:** You don't want to hear the answers.

**Mr Kennedy:** I do. The question was different. With respect, there's only so much time. This is the opposition's time. You will have a chance with the members of your party to indulge however you like. If the answer is

sort of yes, I'd like to accept that and move on to other subjects.

**Hon Mrs Witmer:** We have been already very responsive and we will continue to be so.

**Mr Kennedy:** We'll see from some of the detail forthcoming, but what we've learned so far in this short time is that the money you offered to boards was money that you didn't spend anyway, so that wasn't new money in terms of the textbook funds.

**Hon Mrs Witmer:** I would just remind you that that allegation is unfounded and it is untrue.

**Mr Kennedy:** Minister, I had confirmation from your deputy that the funding for textbooks came from money that wasn't spent last year.

**Hon Mrs Witmer:** That is the only area, so I would not—

**Mr Kennedy:** Well then, Minister, please don't contradict me if it's accurate.

**Hon Mrs Witmer:** —categorize all of the new funding as being from last year.

**Mr Kennedy:** We'll get into the other funding. We also established that \$94 million in funding was ended this year, and we're going to get some more detail about that. One of those was an early reading strategy that ended, and then another early reading or math strategy started. It so happens that the one that ended was worth \$4 million more than the one that was started. We're going to rely on your staff—and I hope it will be forthcoming for our next session—to provide some details so we can better evaluate that.

On the funding formula front, you say it's a scapegoat. What many people still don't realize is that you set their property taxes. You control it all. If you don't become responsive to local needs, children suffer, children go without.

What I'd like to ask you, from the standpoint of the funding formula, is the amount of money, for example, that you have for transportation. Transportation was set up in 1997. Most boards experienced a reduction in their figure. If you look at the information on transportation, you'll find that until very recently it was basically flatlined. Every board that has come forward has said transportation is inadequate. There is no sophisticated funding formula. We have asked for it. There's supposedly a new model being developed with boards. It's been promised for three years, just to run the buses properly in this province—three and four years. Since 1997, every board has said—this part of the funding formula you control every bit of. Whether or not buses are available, whether kids walk long distances or not, comes from you.

I wonder if we could cut through a little bit of the smokescreen that Mr Rozanski's effort may represent. Has your ministry already arrived at a new funding formula for transportation? Are there staff that are prepared to share that with us today, to table it for the benefit of the committee? Has that been completed?

**Hon Mrs Witmer:** The simple, short answer is no, but the staff probably are in a better position to give you

the type of detail and information that you would be looking for. I know Mr Hartmann would love to come forward.

**Mr Kennedy:** With all respect, if they would table that detail, I'd be happy to have it. But you answered no, so I don't think there's much more detail that comes behind a no.

What I am wondering is, you gave Mr Rozanski a mandate and you asked him to look at a number of things, and words like "fairness" and "equity" appear in it. But what doesn't appear in it is the word "adequacy." I'm concerned about that, because part of the argument made about transportation, about special education, about the curriculum casualties that are out there—kids who are suffering because of that—has simply been that the amount of money isn't adequate. From the standpoint of many parents and many children out there, they are not getting services.

You've decided not to make changes on your own this year. You've told us today that you will make changes if someone persuades you of them. I'm wondering if you can tell me why Mr Rozanski wasn't asked to address the adequacy, the amount of money available to the boards and in each of the envelopes that constitute the funding formula.

**Hon Mrs Witmer:** In looking at the whole issue of fairness, equality, stability, let's face it, the whole issue of adequacy becomes an issue that is being considered. Dr Rozanski has talked about that issue and I have talked about that issue and the Premier has talked about that issue.

**Mr Kennedy:** Who are Mr Rozanski's research staff? Are they independent people that he's hired, engaged for this project?

**Hon Mrs Witmer:** I think the deputy is in the best position probably to tell you about the staff.

**Ms Herbert:** Mr Rozanski has a small group of staff working to support him logistically. Those are contracted staff. He also has a couple of researchers that he has engaged himself. He has also asked, as one might expect, for the use of our research services within the ministry.

**Mr Kennedy:** Minister, is there any kind of task force or liaison with your ministry, or is Mr Rozanski deliberating entirely on his own? Are there regular meetings with your ministry staff and Mr Rozanski about his progress?

**Hon Mrs Witmer:** I do believe there are meetings of our ministry staff from time to time with Dr Rozanski. What we're really looking at is to ensure that we can improve the stability of the education system in the province of Ontario and in the best way possible meet the needs of the students, no matter where they live.

1750

**Mr Kennedy:** The test of that is, though, and I don't often quote Mr O'Toole, in the action.

**Hon Mrs Witmer:** Oh, I would agree with you.

**Mr Kennedy:** There has been a lack of action, for example, on changing the criteria for special education so that we waste less money on the process, which Mr



O'Toole tried to turn into some kind of attack on teachers.

There has been a tremendous amount of pressure experienced in terms of transportation and consolidation of routes. Children in rural areas are missing extra-curricular activities for years on end because the transportation has been taken away from them.

My point is that, probably because of your interest in education, even though you served in other parts of cabinet, you know this. Your ministry knows this. I fail to see what Mr Rozanski is going to be able to tell us that you wouldn't have known from the Effective Schools Task Force, that your ministry supposedly have told all the boards out there that they're working on a variety of issues related to the funding formula.

If the ministry has the information already, I'm wondering why you made the political decision not to go ahead and implement some of these changes. You had \$80 million left over at the end of last year. There could have been some efforts made to make at least a down payment on the funding formula. Instead, we find that kids are still struggling, as we've heard from the various presentations to Mr Rozanski. Why did you make that political choice?

**Hon Mrs Witmer:** Perhaps you don't believe it's important to listen to people in Ontario or to review the history of the funding formula and make sure the model that was introduced is best going to provide us with the stability that we need in the province. We do.

We believe it was very important for us to build on the success of the model, as we have been told by many who have made presentations that the model has been successful, but we also wanted to make sure we gave people in the province another opportunity to tell us about how we could improve the fairness, the stability and the certainty for all schools and students. We believe in consultation.

**Mr Kennedy:** Minister, with respect, the question I had was why—you can listen, if that's suddenly a new virtue—there are a huge number of people who tried to be heard for six and seven years and some of their children's education was compromised. Some of them ended up in private schools—numbers we talked about earlier. But nothing in that precludes you from acting on some of the worst parts of the funding formula where the most children are being harmed right now. In fact, Minister, I would put to you that had you done so, you wouldn't have been in the position of having to take over school boards, because you wouldn't have been in the position of cutting those boards the way you ended up doing.

Again I want to ask you why you made the political decision, because your ministry has a tremendous amount of knowledge. They've been working on a transportation funding formula for four years. They know about the special education problems in an immense amount of detail. Why didn't you, as the new minister who said a review could be done in 90 days, who certainly, when you joined the ministry, found out that they already knew all these things about the funding formula—why do we

have this delaying tactic of Mr Rozanski that precludes any action on your part? Why didn't you act instead, and then put Mr Rozanski to work?

**Hon Mrs Witmer:** Again, Mr Kennedy, we have taken considerable action. When we heard about the shortage of textbooks in the province, we responded. When we heard about the need to provide additional literacy and numeracy support to the students in the classroom, we responded. When we took a look at the amount of funding that was going to be required for school boards next year, we responded. We have responded on an ongoing basis and we will continue to do so. We look forward to getting public input in order to ensure that the money that is allocated, whether for special education or student transportation, is the most responsive way to meet our students' needs.

**Mr Kennedy:** Minister, what you are doing, though, is avoiding the responsibility of making decisions. I'd ask you again to table what work has been done on the transportation funding formula for the benefit of the members here. Four years of work by your ministry certainly isn't going to end up being hidden somewhere. We know Mr Rozanski will have the benefit of it, but so should members of this committee. Otherwise we can't ascertain: is Mr Rozanski just a delaying tactic or has this formula been done, as we hear, been tested, and should it have been in operation this year?

I would ask that that information be tabled here, and I'm wondering if you or the deputy can tell us whether we can have access to the work that has been done on the transportation formula, because it has been promised to boards for four, and possibly five, years.

**Hon Mrs Witmer:** Do you know what? Mr Hartmann would be just so thrilled to respond to your question, Mr Kennedy.

**Mr Kennedy:** Can he provide us with some written material?

**Hon Mrs Witmer:** Mr Hartmann, would you like to come up here and just respond to this question about the transportation funding policy?

**Mr Kennedy:** What I would ask for, Mr Hartmann, is a yes or no. Are you in a position to give me written material on the transportation progress and the funding formula? Are there models? Are there things that you can provide for the benefit of the entire committee?

**Mr Hartmann:** Not at this point, Mr Kennedy.

**Mr Kennedy:** I'm sorry to learn that, because the work, I understand, has been extensive.

I would like to ask another quick question of the minister. The special education requirements of the individual children who've been proven—they've been through your horrendous assessments, an incredible waste of person-power away from classrooms and on your documentation, filling computer disks that, if they were paper, would fill tractor-trailers. Minister, are you prepared this year to fund all the special education cases who have jumped through the hoops for you, who have met your criteria and been approved? Will you fund them this year? Will you do that?

**The Vice-Chair:** We need a short answer to that one, because the time is up.

**Hon Mrs Witmer:** The deputy is going to take that one.

**Ms Herbert:** The review is over a three-year period of time, and the review is not complete yet.

**Mr Kennedy:** So does that mean no? Deputy, does that mean the ones that are approved now will not be funded this year?

**Ms Herbert:** It means just what I said: the review is not complete yet.

**Mr Kennedy:** With respect, I think it deserves a straightforward answer. Are those approved cases going to be funded this year? Yes or no?

**Ms Herbert:** The review is not complete yet.

**Mr Kennedy:** Will it be complete—

**The Vice-Chair:** Thank you very much, Mr Kennedy.

We stand adjourned until tomorrow after routine proceedings.

*The committee adjourned at 1756.*











## CONTENTS

Tuesday 24 September 2002

<b>Ministry of Education.....</b>	<b>E-77</b>
Hon Elizabeth Witmer, Minister of Education	
Ms Suzanne Herbert, deputy minister of Education	
Mr Norbert Hartmann, assistant deputy minister, elementary/secondary business and finance division	
Ms Carol Lawson, director, business planning and expenditure management branch	

### STANDING COMMITTEE ON ESTIMATES

#### **Chair / Président**

Mr Gerard Kennedy (Parkdale-High Park L)

#### **Vice-Chair / Vice-Président**

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gilles Bisson (Timmins-James Bay / Timmins-Baie James ND)

Mr Ted Chudleigh (Halton PC)

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gerard Kennedy (Parkdale-High Park L)

Mr Frank Mazzilli (London-Fanshawe PC)

Mr Norm Miller (Parry Sound-Muskoka PC)

Mr John O'Toole (Durham PC)

Mr Steve Peters (Elgin-Middlesex-London L)

#### **Substitutions / Membres remplaçants**

Mr Rosario Marchese (Trinity-Spadina ND)

Mr Ted Arnott (Waterloo-Wellington PC)

#### **Clerk / Greffière**

Ms Susan Sourial

#### **Staff / Personnel**

Mr Larry Johnston, research officer,

Research and Information Services



E-4

E-4

ISSN 1181-6465

## Legislative Assembly of Ontario

Third Session, 37<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Troisième session, 37<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 25 September 2002

# Journal des débats (Hansard)

Mercredi 25 septembre 2002

## Standing committee on estimates

Ministry of Education

## Comité permanent des budgets des dépenses

Ministère de l'Éducation



Chair: Gerard Kennedy  
Clerk: Susan Sourial

Président : Gerard Kennedy  
Greffière : Susan Sourial

### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Copies of Hansard**

Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

### **Exemplaires du Journal**

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.





## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Wednesday 25 September 2002

Mercredi 25 septembre 2002

*The committee met at 1535 in room 151.*

## MINISTRY OF EDUCATION

**The Vice-Chair (Mr Alvin Curling):** We shall resume the estimates hearings of the Ministry of Education. Just a note first that the minister had indicated, and we all agree, that she has to leave at 5 o'clock. So keep that in mind.

The last time around it was the NDP who had started. Twenty minutes; I think it's Mr Prue.

**Mr Michael Prue (Beaches-East York):** I think I'll have to pass. I have no idea where—I'll just pass.

**The Vice-Chair:** OK. We will then go to the Conservatives.

**Mr John O'Toole (Durham):** It's a real pleasure, Minister. Even in your response in question period today, I am always impressed with your compassion on the issue of education and your genuine concern.

I know we're all looking for the current review on the—

**The Vice-Chair:** Just as a matter of clarification—and this won't take away from your time. You have passed, given up your time, Mr Prue. We can divide that extra 20 minutes the committee has earned between everyone else or—what is the wish and desire?

**Mr O'Toole:** I was presuming that I had the floor.

**The Vice-Chair:** You do have the floor. I'm just asking for—

*Interjections.*

**The Vice-Chair:** You've got your 20 minutes.

**Mr John Gerretsen (Kingston and the Islands):** We'll take their 20 minutes.

**The Vice-Chair:** I just need to be clear. I don't need another debate afterwards on this. Is it agreed that they will just pass and then when the rotation comes around, they will get their 20 again?

**Mr O'Toole:** They'll just miss one.

**The Vice-Chair:** Oh, they'll miss their 20.

**Mr O'Toole:** I don't get 40 minutes. My speech is about 30.

**The Vice-Chair:** So you've lost your 20 minutes, Mr Prue. Proceed.

**Mr O'Toole:** I represent an area that I believe has been doing an excellent job, the Durham area, the Kawartha-Pine Ridge-Peterborough area. I want to put on the record that I'll continue to work with them as they

find equity in education. That, to me, is what it's all about, making sure that at the end of the day, however large or small the resources are, they are distributed equitably, which really leads to my first question.

Some of the media reports have suggested that student funding has not changed since 1997. I'm going to put the question to the minister: is that true?

I can only reflect for a moment, if I could, on my own boards. I might say there are four boards in my jurisdiction; six including the French panel, public and separate. I have done the research here on the boards I have the privilege to work with. Having been a former trustee on the board, I watch it with a great deal of passion. I can see here both the enrolment and the total revenue, and if I break it down on per student funding—all the minutia in between the big dollar and the number of students—there may be questions on the program level but I can see the changes just from 1997. The per student level has increased by \$700 in the Kawartha-Pine Ridge board. The Peterborough-Victoria board has increased by a mere \$68, but none the less, it has increased. Further, if I look at the boards in Durham, similar numbers apply.

I'm going to put to the minister this very important study by the president of Guelph university on the student-focused funding model. Could you perhaps give me some indication, is it true that it hasn't changed since 1997? I know that just this year, listening to the budget, it's over \$500 million more.

I can understand sometimes that the boards want to make a political statement, as three of them have—and I consider it just that, a political statement. I look at Toronto and I see, for instance, that the separate board somehow, with the same kind of boundaries, the same mix of ethnic groups, new languages and all these things, on a per student level has balanced its budget.

It's been politically hijacked, I would suggest. The board itself was split. There were core members on that board who were prepared to follow the staff recommendation of a balanced budget. You may want to respond on the Toronto issue specifically, but I just want to have some reinforcement that the equity you talk about in education is really what we're trying to work to.

## 1540

In fact, if I go back far enough, the Royal Commission on Learning really spent a lot of its time on that very issue of equity in education. All of us here knew, any of those who had paid attention—I'm sorry Mr Marchese is

not here today because he would know. He was a trustee in Toronto.

The issue always was that in Durham we were getting less than \$5,000 per student because we had a very weak assessment base. We didn't have the rich assessment base that other larger, more developed urban centres had. So we're trying to find a mechanism of providing publicly funded education equitably in the province of Ontario, while at the same time not disadvantaging any group or area of the province. I'm confident that you will make the fine adjustments that I'm sure Professor Rozanski is going to be making to you.

You can respond in whatever stead you like, and then I'll ask my next question.

**Hon Elizabeth Witmer (Deputy Premier, Minister of Education):** First of all, I think I need to state that any media reports or any reports from any source that would suggest that student-focused funding has not changed since 1997 are definitely not true. We have made tremendous, important improvements to the funding formula every year since it was first introduced in 1998-99.

In fact, since Premier Eves and I came into office in our respective positions, we have announced almost \$560 million in new spending for our schools. That includes the \$65 million for new textbooks and learning resources. That's necessary because that helps us to provide the students with the tools they need to master the new curriculum. We've also made available the \$25 million for the implementation of a new early math strategy and an expansion of the early reading strategy. We did make available and announced \$350 million in additional funding for Ontario's public schools in May of this year, and then in the budget on June 17, we announced \$117 million more. This \$10 million for ISA assessments was allocated in order that we could complete those assessments in the parts of the province where people were having some difficulty in doing so. We also provided \$10 million in upgrades to provincial schools for students with disabilities.

I had the opportunity to be in Brantford on Friday and turn the sod for a new elementary school for the students there who may be blind or blind-deaf. Again, we want to make sure that those provincial schools are safe and provide the best learning environment for the students in the province of Ontario.

We also announced, as part of that \$117 million in the budget, a student achievement fund of \$20 million. We gave another \$20 million as a transportation grant.

We have also announced that we're going to be providing \$10 million in the way of professional learning resources for our teachers and principals, because we know that if our teachers are not able to have the skills and the resources needed to teach the new curriculum, obviously, they aren't going to be able to communicate with our students effectively. So it's important that we really do support our teachers in the classroom.

We announced there an early math strategy expansion of \$5 million, renewal assessments of \$17 million over two years and school renewal allocation of \$25 million.

So we are continuing to increase and have been increasing funding since 1997 every year. The total continues to climb. Just this year, it went from \$13.86 billion to \$14.26 billion. That's an increase of 2.9% over last year, while enrolment is projected to increase by only somewhere in the neighbourhood of about 0.4%.

In fact, I want to stress again the fact that about half of the school boards in the province are actually seeing a drop in students this year, yet they are going to be receiving an increase in funding.

But having said all of this, we know that we constantly need to review and take a look at the funding formula. We know there are still those in the province who have concerns, and we've expressed that we have concerns as well.

So we set up the Rozanski task force. I don't think we could have picked anyone better suited to head up this task force than Dr Mordechai Rozanski, president of the University of Guelph. He has shown himself to be an excellent listener. He is an individual who is dedicated to improving the quality of education for children in the province of Ontario. I can tell you, they have been meeting with stakeholders, they've been holding public meetings in a way that will enable them to develop recommendations that will enable us to build on the strength of the funding formula, but to make sure that it continues to be equal, it continues to be fair, it continues to be adequate and it continues to be a vehicle that enables us to see stability in our school system.

They're going to bring forward the recommendations in November. They've made great progress, and they've talked to a lot of people. His recommendations are going to influence the budget planning for the 2003-04 school year, and that is going to be when we also start to provide our school boards with multi-year funding, which is going to enable them to do much more effective planning than they have been able to do, and that's something that has been very well received by the school boards.

That's some of the information I can put on the table. I know Peter Gooch would have more detail, if you wanted more detail, Mr O'Toole.

**Mr O'Toole:** This is the micro kind of question, as I drive down. I look at the larger picture, the macro view, but I also look at the micro view, which is really a serious responsibility on behalf of the parents, students and teachers in my riding, to address specifically the equity. Whether there's enough money in the economy to provide every swimming pool in the world is another question.

**Hon Mrs Witmer:** I might just add here, Mr O'Toole, because I think it is important, I think I've heard Dr Rozanski say that obviously as he develops his recommendations, the issue of affordability is one that needs to be factored into the recommendations.

**Mr O'Toole:** Well, I'm just going to put on the record here, and if I'm interrupting I apologize. I'm going to look at the separate board individually, and I'm going to look at the research that I've done. In 1998-99, the first year of the student-focused funding model, the Peterborough



Victoria Northumberland and Clarington Catholic board went from a base budget of \$79 million to \$102 million. That's a 28.6% increase. Enrolment increased 12.8%, and funding for special education went from \$8.7 million to over \$10 million, a 14% increase.

Staying with the separate board in Durham—and these are also factored in for population growth, or student growth. It started in 1998-99. Total revenue: \$149.2 million. It went to \$170.9 million. That's a 14.59% increase. Total enrolment went up 2%, and their special education funding went up 5.67%.

Now, I know this is about students.

**Mr Prue:** What about the students in Toronto?

**Mr O'Toole:** I hope you include the transition funding when you talk about Toronto.

When I look at the public board—and there may be some questions here, and probably the essence of this is to ask a question. I'll try to make one up. Total revenue for the Kawartha Pine Ridge District School Board went from \$246,127,000 to \$265,847,000, an 8% increase. Total enrolment went up—actually, the total enrolment went down 2.4%. Special education funding in that board went up 20%, from \$22.58 million to \$27.12 million.

1550

If I want to compare them now to the Durham public board—which has always been an exemplary board in the province. I would say they won the Bertelsmann Award. The former director of education there was the lead on the whole curriculum development, a very highly respected educator. Total revenue for the Durham District School Board went from \$381.4 million to \$432.4 million. That's a 13.37% increase. Total enrolment went from 61,503 students up to 64,401 students. So the enrolment is up 4.7%. Special education in that board went from \$38.1 million to \$45.5 million. That's a 19.3% increase in funding.

I can only go by the numbers. I see larger numbers and, in some cases, declining enrolment. I believe we're aiming toward equity. That equity may not be the same equity that Ottawa, Hamilton and Toronto think is fair. The students in our area are excelling, in my view.

I can only speak as a parent and a former trustee. It's personal. I don't mind putting this on the record. My youngest son went to a Catholic high school. He went to a public high school as well, but mostly to a Catholic high school. They had no gym, no pool, and no facilities in a rented school. My son just graduated from Brock University in public health. He was on two varsity teams, and his high school never had a gymnasium. This community did provide supports, and our family of course makes it priority one. Someone would say that I'm a privileged parent. I think I'm an involved parent. My wife, as a teacher, has certainly had the primary educator in our family, in fact in his life.

I put to you that it's about the classroom and really focusing on the primary requirement of education, which is to teach children to learn, to give them the tools to learn, to give them the opportunity to learn and to mature in harmony with their environment. I believe that elitism

in education isn't really what we are teaching. We are teaching children, and I believe our teachers are well positioned to do that as professionals.

Once we can get rid of the union rhetoric and some of the other rhetoric that occurs, we can focus on making sure that we are providing equity in education and opportunity for children to learn, and on having the highest standards in the world. I believe that five years from now you, as Minister of Education, will be celebrating our excellence in teachers, our excellence in students, our excellence in achievements, and this province, you and I, will benefit from what you're doing today. I see it happening in my riding. I believe and trust that you're doing it for the province of Ontario, and Dr Rozanski, I think, will account to that.

Let's say that the GDP goes down. When our economy isn't strong, how do we continue to fund education properly?

If you'd like to respond just in a general sense—I know the pressures are there. They are there in transportation. I see an issue in transportation as well, the new technology investments and transportation solutions. I've heard for years in my riding multiple buses going down the same road. I know your initiative is encouraging boards to have co-operative busing scheduling. In fact, I wonder what busing logistics really has to do with the administrators within a school, whose main task is the curriculum component. There are service providers, like Laidlaw, if you want to use that name, and others, who are already prepared and doing logistics in terms of moving children safely and efficiently. What it would take is coterminous boards to coordinate their schedules for start and stop times of schools and classes, co-ordinating activities where there could be, within regions, outdoor education days.

Sharing those kinds of resources is absolutely critical. But they all want to stand as a little silo of excellence, whether it's the fancy board office or it's the fancy field trips that they're able to provide. I think it shouldn't be a function of how wealthy the parents are or indeed, as the fair commission on tax said, it shouldn't be dependent on how wealthy an assessment base you have to provide public education.

I can only speak with some insight into the four boards, in the public sense, that I represent. I do meet with the French component as well. They probably have more difficulties in that the students are spread over larger geographic areas and perhaps transportation is an enormous burden for them. But I believe the resources are there.

I see it in my own experience. My five children spent most of their time in portables. Since I've been elected in 1995—I was a trustee for two terms. I was at one new school opening, and Sean Conway was the Minister of Education.

**Mr Gerretsen:** And a great one he was.

**Mr O'Toole:** He was a good Minister of Education. I think that's why he's resigning; he's frustrated with you. He knows you're going nowhere. That's why he's leaving. He knows that Dalton is taking them nowhere.



But anyway, I want to get back on topic. Really, what I'm trying to say here is—that may be a bit strong.

**Mr Gerretsen:** On a point of correction: you're totally out to lunch.

**Mr O'Toole:** This is after lunch.

I'm quite sincere that they attended most of their time in portables. I'm so impressed with the new funding model for capital. It's almost as though they can't build the schools quickly enough. You've got to take some pride in providing the proper facilities and the right resources so they have the opportunity to succeed in life. What more can you give them? You should feel very proud of what your contribution has been. I trust this will only improve and every student will have an equal opportunity.

**Hon Mrs Witmer:** I certainly appreciate your comments, Mr O'Toole. It's always good to hear when children are having good experiences. I think what's really most important is to make sure that the maximum amount of money that flows to public education does find its way into the classroom. Really, that's what the funding model was all about. It was to ensure that as much money as possible was going into the classroom to meet the needs of the students.

But having said that, I just want to go back to something else you said. It has to do with the whole issue of funding. I think what I spoke to yesterday was the fact that in 1989, when I was chair of a school board, my number one priority was to somehow address the critical underfunding of public education. During that time period—I can remember Mr Conway was Minister of Education, and a good one—there was the same type of dialogue occurring. From time eternal in the past, school boards have always wanted more money from the provincial government, but I think we're looking to address that now.

**Mr Gerretsen:** I would just like to ask some general questions regarding some of the comments that were made here earlier today when you talked about affordability in relation to the economy. Let me put it to you this way. It is the impression of a lot of people out there—and it's something that I certainly concur with—that when it comes to the choices the government has made over the last seven years, the choice of tax cuts, whether they're corporate or personal, has been of a much higher priority to this government than providing adequate funding, whether it's for health care or education. Would you not agree with that, Minister?

**Hon Mrs Witmer:** I don't think you have taken a good look at the numbers. If you see the increase in health care funding in Ontario, since 1995 the level of funding has increased from somewhere in the neighbourhood of about \$17.6 billion to almost \$25 billion today—almost half of the budget.

**Mr Gerretsen:** Minister, we're not here to talk about health care. You darned well know that when it comes to health care, we're spending less as a percentage of gross domestic product in this province now than we did in 1995. We've gone from 5.6% to 5.3%. You made the statement that it's all a question of affordability.

**Hon Mrs Witmer:** I didn't say that.

**Mr Gerretsen:** When you're talking about affordability, you're talking about whatever the priorities of the government are. Anything can be affordable if the government places a high enough priority on it, and education simply has not been a priority to this government. This notion that somehow all the trustees in Toronto, Hamilton and Ottawa are out to get the government or that they don't look after the people's interest—they are elected individuals, just like you and me, and they are just as dedicated as when you were there in the late 1980s or whenever. To suggest that somehow all the good people are here at Queen's Park and not the elected trustees out there I think is doing a great disservice to the people of Ontario who elect all of us in one way or another. So when you're talking about affordability, it all depends on the priorities a government has set for itself, and your priorities over the last seven years have been tax cuts for individuals and corporations, when they should have been to put adequate funding into health care and education.

**1600**

Let me ask you this as a final question before I turn it over to Mr Kennedy, who is extremely knowledgeable about these issues. I get more calls in the area of education dealing with special-education situations or the lack of special-education assistants for special-needs children in school than any other issue. If you are saying there is more funding available, why is it that many of the young children who used to get special-education assistance in schools are no longer getting it, or the time that's being allotted to them has been severely decreased? Why is that? I assume your goal is that every child should be able to reach the maximum of his or her ultimate potential. Can you explain that? Explain that to the Frontenac board, the Limestone board or any of the other boards. Better still, explain it to the parents and students who used to get four hours a day of special-education assistance and now are lucky if they get an hour a day, if any at all. What do you say to them?

**Hon Mrs Witmer:** Let me just respond to some of the issues you have brought to the table, Mr Gerretsen. I just want to remind you that our government has placed a very high priority on health and education. I've certainly spoken to the fact that we have increased health care funding in the province despite the fact that we certainly have not received the amount of money that the federal government at one time had indicated they would make available.

I also want to just make you aware of the fact that in 1984—

**Mr Gerretsen:** In 1984? That's the Stone Age, for goodness' sake. Let's talk about the present.

**Hon Mrs Witmer:** —your Liberal government pledged to restore the province's share of education funding to a minimum 60%, on average, across the province. Do you know what actually happened in 1990, after you had been in office for five years? The level of provincial funding stood at 40%, more than six percentage points lower than what it was when the Liberals took office.

**Mr Gerretsen:** And that's by a tax-and-spend government. Thank you. Could you just address my issue, though?

**Hon Mrs Witmer:** I am.

**Mr Gerretsen:** What do you say to those parents of children who used to get special-education assistance and are no longer getting it? What's your answer to them? Why don't you give a commitment to them that every child who needs special-education assistance in schools will get it, will get somebody to help them?

**Hon Mrs Witmer:** We have made a tremendous commitment to special education. Maybe you're not aware of the fact that until we introduced the education funding formula, there was no guarantee that money that had been set aside for special education would actually go to the students. We've actually made it possible that all the money would be protected and would flow to the students. That is a tremendous improvement. Funding for special education has increased by over 17% since 1998-99.

We also realize there was a waiting list for the assessment of our high-needs students, and in our budget this year we have provided \$10 million. We've provided \$10 million to upgrade the provincial schools for children with disabilities.

**Mr Gerretsen:** Minister, you don't want to answer the question with respect to guaranteeing special assistance to each child who needs special assistance.

**Hon Mrs Witmer:** We have done more—

**Mr Kennedy:** No, that's not an answer. Mr Chair, if I might, I'd like to support Mr Gerretsen on that and I'd like to move on. We were hoping to get some kind of assurance from the minister that would be useful for parents. Instead, Minister, you cite an ancient Liberal government of some time ago.

When you were school board chair, you increased your local assessment every year you were the chair. You did that despite the fact that the provincial government of the day increased its share of funding above inflation and enrolment each and every year, something your government has miserably failed to do.

I want to pick up where we left off—and what Mr Gerretsen introduced you to—at special-needs kids. You claim you're giving them more money, but you claim that on the most specious of grounds, because you claim that compared to your own figures in 1997, when in fact every school board in the province is spending more on special education than you give them. They don't do that because they want to cannibalize another program; they do it because you don't provide enough money for special-needs kids.

But I want to ask you again the specific question, because you used the disingenuous device of the buzzer to get away from it before. Neither you nor the deputy would answer the question in full, and I want you to answer it here today. I want to know how many cases you have validated; how many individual children you, the Minister of Education today, understand are kids your provincial validators—these expensive people you pay to

look over the shoulders of the school boards—have validated; how many cases there are. I'd like a list by board. I'd like to know whether you will be funding those specific cases you've already validated right away, this year; whether you'll be doing that, and if you're not doing that, I'd like to know why not. So, Minister, first of all, could I ask you very specifically, for the benefit of the committee, can we get a list of the number of cases that have been validated?

**Hon Mrs Witmer:** I'm going to ask the deputy, Mr Kennedy, to answer your question.

**Ms Suzanne Herbert:** The review, as I said yesterday I believe, is not completed. So—

**Mr Kennedy:** If I can, Deputy, because that's where we left off, it's not completed because not all boards are done. But you set this up as a three-year review. You gave them as much as two or three years to get their review done, so surely that's not what you had in mind. Boards knock themselves out. I can quote to you from several boards here. You know the story, however. You know. You made them spend a huge amount of money to satisfy you. Now they've done that and I want to know, for the benefit of this committee—you want money for the Ministry of Education; we want to know how it's being spent and how it's being allocated. How many children have you validated from this new process that you made the boards go through? How many are there, and can we have those numbers, by board?

**Ms Herbert:** Mr Kennedy, maybe I should ask one of the staff to come up and explain the process, because—

**Mr Kennedy:** No, Deputy. I would like you to answer the question, please.

**The Vice-Chair:** Could I just allow the deputy to complete her thought.

**Ms Herbert:** I was just going to say that we don't validate children. We look at the process that a board has used to identify children for funding purposes, and those children receive funding through the spec-ed envelope that they get in their budget. It's not as if there is not money in the board for those children.

**Mr Kennedy:** Deputy, may I ask you, or if you want to bring someone else up—I want to ask this question very specifically: are you telling me that your validators are not examining individual ISA applications for individual students? Is that what you're trying to tell us today?

**Ms Herbert:** They review the ISA assessment that has been done on children.

**Mr Kennedy:** On each child. Is that not correct?

**Ms Herbert:** No, not on each child. They do a sample.

**Mr Kennedy:** On which?

**Ms Herbert:** Would you like me to have someone come up and explain the process—

**Mr Kennedy:** I would, but first I want an answer to my question. I want to know if there's a list—

**Interjection:** He doesn't want to know the truth.

**Mr Kennedy:** With respect, I would like to know the answer to the question: do you have a list, by board, right



now of the number of children you have validated through whichever process already, you've said these people meet the criteria? Do you have that information with you here today and could we have that? Could we have that information?

**Ms Herbert:** I'll say what I said before: the review is not complete, Mr Kennedy.

**Mr Kennedy:** I have asked a very specific question and, with respect, Mr Chair, I wonder if I could get a specific answer.

**The Vice-Chair:** One second. Let the deputy just finish off the thought.

**Ms Herbert:** The review is not complete, so until the total review is complete and we have a chance to assess the results of that—at that point the information will be public information.

**Mr Kennedy:** But, Deputy—or Minister, because part of this is a political question—you told the boards that if they validated these children there would be funding for these children. Some of them are there with millions of dollars' worth of special-needs cases. They went through your hoops, they have validated these children. Your people—you hire them, you call them validators—have done that and it astounds me that you don't know how many cases have been validated. Is that what you're saying, that you don't know how many cases have been—

**Ms Herbert:** Again, I said—

**Mr Kennedy:** It's in process. We accept your answer; it's in process. Do you know how many cases so far have been validated, or is it possible you don't?

**Hon Mrs Witmer:** Mr Chair, perhaps we should just review the process, because this isn't all children, and I don't know that Mr Kennedy really understands well the process that has been undertaken and the commitments that have been made. So perhaps we need to bring someone up here—

**Mr Kennedy:** Not instead of an answer, though, Madam Minister.

**Hon Mrs Witmer:** —who can let us know exactly how the ISA funding will be arrived at and how it's different from the amount of money that is set aside in the SEPPA funding. There is quite a significant difference.

**Mr Kennedy:** OK, Minister, I'm quite aware of the difference between SEPPA and ISA and I would like your answers and your co-operation with this committee, not your condescension.

If the ministry truly doesn't know how many valid cases there are in the province that have been through your process, I find that astounding. If you and the deputy are telling us today that we can't be told here in this committee and if the members opposite don't care, because many of these cases are in their own ridings, if they don't care and they don't want to support that request, that's their business. But, Minister, in my time I'm asking for an answer.

**Mr Frank Mazzilli (London-Fanshawe):** On a point of order, Mr Chair: Certainly there's no direct question-

ing here. The minister has said that there is a process and the member is making allegations about all kinds of members that are false.

**The Vice-Chair:** I'm sorry. That's not a point of order.

**1610**

**Mr Kennedy:** I presume that false point of order won't come out of my time, Mr Chair.

Minister, what I would then like to know, if you can't tell us how many validated cases you've got for this year, can you give us last year's cases? They haven't been published yet. Do you have statistics for the allocations last year based on validated cases? Can any of that information from your ministry be tabled here today? If you can tell us nothing about this very expensive process, if there is no data you are willing to share with us today on the ISA validation process, which I find astounding, can you at least give us the data from last year, your allocations per board, the variation between what they requested and so on? Could that information be tabled?

**Hon Mrs Witmer:** We can give the spec ed allocation from last year. Again, I would just remind the member that in the ISA guideline addendum of 2001-02 and in other public communications, there was a commitment made to use the results of the ISA comprehensive review to base funding for special education on each board's demonstrated level of need, starting in 2003-04. Again, as the deputy has said, the review is still in process and the total potential impact of the comprehensive review will not be known until after the end of this year.

**Mr Kennedy:** That's an important point you've made and I'd like to ask you a question about it. What you've said there is that you are validating cases through this very expensive process that has taken away classroom resource people and teachers. You are doing that and you say you're going to look at it in the context of the overall amount approved.

Minister, for the last three years, your ministry has taken huge amounts of resources away from kids, and at the end of the day the money doesn't come back to those kids, because you've come up with approval ratings, some of which don't even change the amount of money that goes to individual boards. I think what parents out there want to know, and I presume members of all sides would like to know here, is that if you've already validated a large percentage of children, if there are already boards that have proven to you these kids are in need—in half of your statement you said “on demonstrated need,” and then you qualified it by saying you won't touch that demonstrated need until 2003.

Our discussion yesterday was, are you, as a relatively new minister, open to really fixing the funding formula or is it public relations? I think this is a very clear-cut example. Despite the deputy's lack of co-operation here today, you know about a certain number of cases in a certain number of boards that have been validated to your procedures. I guess what I would ask you in light of your statement is, is there any chance that we can tell these families who are waiting desperately to get assistance,



that you might move forward the date to approve some of these validated cases of kids who we know are in need? There are 40,000 more who are supposedly waiting now for assessments. These have been through the process. These are new cases that exist in board after board. Is there any chance you might fund those cases this year? You won't give us a list of how many there are, but could you at least tell us whether there's a chance that you could be convinced that those kids should get the support they need right now rather than be forced to wait until next year? Is there a chance of that?

**Hon Mrs Witmer:** First of all, I take exception to the comment made about the deputy being uncooperative. I think we have certainly endeavoured to respond to all of the questions that have been asked. In fact, an attempt was made, Mr Kennedy, to provide you with a more fulsome explanation of the ISA review and assessment process, since it was obvious there were some parts of the process that perhaps you didn't have a complete understanding of.

Let me tell you, we are the very first government—it was not the NDP, it was not the Liberals, it was the PC government—

**Mr Kennedy:** Minister, I'm sorry, I don't want to be rude but I would like to know if you would answer my question, please.

**Hon Mrs Witmer:** —that took the lead on assessing those students who have a need for intensive support and special needs.

**Mr Kennedy:** Minister, you are causing \$50 million to \$80 million to be expended, by the Ontario Principals' Council estimate, by the direct estimate of boards like Peel and York region Catholic; millions of dollars to be spent to satisfy your department whether or not children are in need. That's money that could and should be used to help those kids.

I want to know. You refuse to answer a direct question and, if that's your choice, we'll move on to another subject. But in case there is any chance of misinterpretation, will you, as the Minister of Education, look at the cases that have been validated of children whose needs are not being met today, who are above and beyond the approved levels for the boards that are out there with the responsibility of helping these kids? Is there any chance that you will supplement the amount of money available so these kids can receive help this year instead of your ordained target of next year? Is there a chance of that? I just really would like to know. You can tell us no, you can tell us yes or say you're not going to answer the question, but please don't take up more time.

**Hon Mrs Witmer:** Well, you know, Mr Kennedy, I think you would agree with me it is important to be thorough and it is important to do the assessment. Personally I would say to you that the whole issue of special education funding is very important. I would agree with whoever in this province thinks there's a need for more money. I hope we can get some more advice from Dr Rozanski, because one of the questions we've asked him is whether the current approach to funding

special education is the most responsive way to meet student needs. I think you've talked about the fact that maybe what we're doing isn't.

**Mr Kennedy:** I've asked your predecessor to consider doing it differently, and I was plumbing today whether you would be open to that.

**Hon Mrs Witmer:** I would simply say to you that I believe there is a need for more special education funding, and I hope Dr Rozanski will be able to give us a recommendation.

**Mr Kennedy:** Then what I will leave with you, as the Minister of Education—and I want to say this because parents out there will be watching your every word. Parents out there have children who went through tests and assessments that you prescribed. They thought they were doing that in order to get help for their kids, and those kids are sitting on the sidelines waiting. You're going to meet some of them next week, because we're going to bring them to committee.

Mr Chair, I'd like to move to another subject; I've asked a direct question two or three times.

**The Vice-Chair:** You have 10 seconds.

**Mr Kennedy:** Then I'll put them on notice that I want to ask about the advertising budget. I hope the answers will be more fulsome than we received on special needs.

**The Vice-Chair:** Mr Prue, 20 minutes.

**Mr Prue:** I now have a list of questions. I had time to sit here and think about them.

I'd like to ask a question specific to the ratepayers of Toronto; there's much being said on the streets these days. I heard with some interest Mr O'Toole saying that finally there's equity outside Toronto, but the ratepayers of Toronto see it in a slightly different way, as you must imagine. They see that the money that is collected, not in taxes, but in property assessments—and I want to separate the two—is flowing out of Toronto, and probably Ottawa, Hamilton and the larger cities, at a huge rate. Amounts of money that they are paying on their individual homes and properties, which they expect to go to education in their community, is not going to education in their community and is in fact going to education in other communities.

Can you tell me how much money is being raised from the ratepayers of Toronto that is being expended in other parts of the province?

**Hon Mrs Witmer:** I could have Mr Hartmann come up and perhaps respond to your question.

**The Vice-Chair:** Mr Hartmann, just identify yourself as you take the floor.

**Mr Norbert Hartmann:** I'm Norbert Hartmann, assistant deputy minister.

The amount of money that is spent in the city of Toronto for education in 2002-03 is \$1,984,828,420.

**Mr Prue:** Just do that a little bit slower.

**Mr Hartmann:** \$1,984,828,420.

**Mr Prue:** That's how much is being spent. How much is raised from the taxpayers in Toronto?

**Mr Hartmann:** Unfortunately, I don't have the breakdown between tax and grant revenue with me.

**Mr Prue:** Is it more, or is it less? What I'm hearing from many sources is that a lot more is raised than was actually spent within that city—\$2.5 billion.

**Mr Hartmann:** I would only be speculating at this point, but I don't believe \$1.9 billion is raised in education tax.

**Mr Prue:** Is that because a percentage is raised locally and a percentage is from the province?

**Mr Hartmann:** That's correct.

**Mr Prue:** Is it fair to say, then, that a lot more is raised locally in Toronto than in Durham?

**Mr Hartmann:** Again, I'd only be speculating, but I believe the assessment base in Toronto is richer than in Durham, that's correct.

**Mr Prue:** So the people who are raising the funds there would expect to see some of that money flowing out. Is that a fair assumption?

**Mr Hartmann:** My understanding is that money that is raised locally stays local and the difference between that and the entitlement under the funding formula is made up through a provincial grant.

1620

**Mr Prue:** Therefore, the residents and ratepayers of Toronto would be getting less per capita from the province of Ontario than other places to make it to the same—everybody has the same level now.

**Mr Hartmann:** No, that is not quite correct. Everyone does not have the same level. The level of funding depends on three factors. It depends first of all on the foundation grant, which provides a similar amount for an elementary and a secondary student in each of the boards in the province. Then there is an assessment of the context these boards find themselves in. Those under the funding formula are defined as special-purpose grants. Those special-purpose grants differ by board, depending on the demographic characteristics of that board. The third element is a new pupil place grant, and those differ by board as well, depending on the accommodation requirements for that board.

So if you were to calculate on the basis of the number of dollars per pupil, boards in the province do not wind up with the same amount per pupil. Those vary across the province depending on the demography of the province, the geography of the province and the types of needs that are specific to the areas.

**Mr Prue:** OK. All the boards in the province said the funding formula was not adequate, but three of them went so far as to say it was impossible without gutting education. They would appear to have formerly been three of the richest boards, and have now been reduced to being unable or unwilling to take the steps to, in their words, gut the education system. Is that a fair comment?

**Mr Hartmann:** That, I understand, is their claim.

**Mr Prue:** And your claim?

**Mr Hartmann:** On that I don't have an opinion.

**Mr Prue:** Perhaps the minister does.

**Hon Mrs Witmer:** I think what you need to keep in mind, Mr Prue, is the fact that the public in Ontario have supported the move to a student-focused funding formula

that provides equality and fairness of educational opportunity to all students regardless of where they live and also regardless of which of the four boards they attend. I think that has been well supported.

I think what we need to take a look at now is making sure we make whatever adjustments or modifications are needed to the funding formula to respond to any concerns that might be out there as to how we can make it more fair, more equal and how we can ensure it is adequate and contributes to stability in the system. We've basically got a different funding formula today than we had in the province 10 years ago, where part of the money that was raised was through local taxation.

**Mr Prue:** I'd like to go next to the whole issue of the supervisors in those three areas of the province where there are supervisors. I probably know the Toronto case best, because I don't often get a chance to read the Ottawa or Hamilton papers. It's been estimated by people in Toronto, particularly the board and parents, that about \$1.5 million is being expended for supervisors and their staff in the three boards in Ontario. Is that the approximate cost?

**Hon Mrs Witmer:** I can give you the cost, Mr Prue. The salaries of the supervisors in Toronto—

**Mr Prue:** I'm familiar with those. It's \$185,000 and there's another one around \$180,000.

**Hon Mrs Witmer:** No, Mr Beckstead is \$170,000 and Dr Murray is \$166,000.

What additional information are you looking for?

**Mr Prue:** They also have staff and other people. I'm just trying to get a ballpark figure of how much it's costing for all the staff that has been hired to oversee the trustees in these three boards. Those costs alone are in excess of half a million dollars.

**Hon Mrs Witmer:** I would have to say to you that it's really quite regrettable that the board didn't choose to balance its budget. If they had chosen to work with the provincial government, work with us to balance the budget, as the chair and the vice-chair and some of the other trustees of the Toronto board wanted, there would have been none of these extra expenditures.

**Mr Prue:** That's fine, but I'm still trying to find out what they are.

**Hon Mrs Witmer:** I don't have any additional information. The deputy may.

**Ms Herbert:** The only other issue I would add is that we know that each of the supervisors has decided he needs some communication advice in addition to the staff at the board. That's the only other cost I'm aware of.

**Mr Prue:** They don't have any other paid advisers to look at audit books or secretarial work or any of those things?

**Ms Herbert:** Not to my knowledge.

**Mr Prue:** The next question I have relates to—I trust I still have some time.

**The Vice-Chair:** Yes.

**Mr Prue:** Terrific. The next question has to do with those wonderful half-page ads I saw about a week or 10 days ago. I saw them everywhere. Again, the estimate I



heard was about \$1.5 million. Is that coming out of the school boards' budgets, where they are affected? Is it coming out of the government of Ontario's budget? Is it coming out of the Conservative Party budget? Where is that coming from?

**Mr Hartmann:** Those monies are coming out of government revenues.

**Mr Prue:** Out of Ontario government revenues. OK. They're not coming out of any of the individual school board revenues?

**Mr Hartmann:** That's correct.

**Mr Prue:** When I look at the estimates briefing book, I can expect to find that next year in the central government expenditure account. That's where I'll find it next year? OK, that's fine.

I want to deal again with the ISAs. The ISA itself is quite a complex form, I understand. I've never actually seen one but I'm given to understand from people who work in the system that it takes a huge, inordinate amount of time to fill one of these out, about 14 hours of staff time to fill out each assessment record. Is that correct?

**Hon Mrs Witmer:** Do you know what, Mr Prue? I just want to tell you right now I would certainly agree with some of what you've said. I think it has been a very complicated process. What the ministry staff have attempted to do, in co-operation with others, is to find ways to make the process easier, more predictable and more responsive. I would maybe ask the deputy to speak to what we've done in order to speed up the process.

**Mr Prue:** First of all, is it true that it's 14 hours? When I heard that, I found that hard to believe. That's two whole working days. If staff made \$50,000 a year, that's like \$1,000 or something.

**Ms Herbert:** I think the answer to that question is that it varies depending on the individual child and the amount of time and the exceptionality the child has. So it varies in terms of what the particulars of each of the ISA reviews requires. Because this subject has come up a couple of times, I'd be happy to have the staff person responsible for this come up and walk you through the process.

**Mr Prue:** Sure.

**Hon Mrs Witmer:** Mr Gooch?

Don't forget we're dealing with students who need intensive support. I think Mr Gooch can tell you exactly what happens. I had some of the same concerns that you did originally.

**Mr Peter Gooch:** My name is Peter Gooch. I'm the director of the education finance branch in the Ministry of Education.

The question is, if I understand it correctly, what is involved in producing a report to the ministry for ISA funding.

**Mr Prue:** For one student.

**Mr Gooch:** For one student. What we ask school boards to do is to provide us with documentation that they would normally need to have on file to run a good program for an individual student. We ask them for a professional assessment. Remember, ISA is about stu-

dents with extremely high needs. ISA eligibility criteria are profiles of students with various kinds of exceptionalities, whether it's learning disabilities, intellectual disabilities or behaviour problems. So a student with that level of need should have a professional assessment from a psychologist or a physician and that would be something a school board would normally use to develop a good program for that student. We want to see that assessment.

The second thing we want to see is evidence of related difficulties. So, for example, if the student being claimed has a behaviour problem, we would normally want to see documentation that should be in the student's file about that behaviour problem. You might want to see a suspension report or an incident report.

The third thing we want to see, and our validators go and look at, is the student's individual education plan. We want to assure ourselves that the plan the board has put in place—and remember, an individual education plan is about that individual student. It's an educational assessment of that student's needs and that student's strengths, and a description of the interventions and the program that the board will put in place for that student. So we want to see those three things: assessments, evidence of related difficulties, and an IEP. That's what our validators look at.

In some instances, school boards don't have all that documentation in place and they have needed to go and get assessments, or they have had to do some work to clean up their IEP for that student. Again, as the deputy said, it will vary from student to student. It depends on how good the management practices of a board are whether those files are in good shape to start with.

**1630**

**Mr Prue:** The example I was given was the Greater Essex board. They were the ones who said that it took approximately 14 hours, on average. That board produced 380 reports for this school year. That's the equivalent, I would think, at 14 hours, of about three person-years, working flat out doing nothing else but that, at whatever wages that costs. They're owed some \$3.4 million that they haven't seen.

An additional problem they have is that they believe they have many more students who should be the subject of such reports, but they simply do not have the time, the money, the staff or the wherewithal to wait for a year to go into the process, so they're missing kids. Is that happening out there?

**Mr Gooch:** I can't comment on the Greater Essex board, because I'm not familiar with the details on that board.

**Mr Prue:** Any board. Is that happening because the forms are so complex, so cumbersome, so time-consuming, so staff-intensive in terms of time that some kids are not being documented who should be?

**Mr Gooch:** Our view is that it's an appropriate thing for boards to do, to focus their resources on the students who have very high needs. Our view is that they should have the kind of documentation that we're asking for readily available.



The reality is—and I can't deny that—some boards have had to put a great deal of staff effort and to focus their staff effort upon collecting that information and improving the information that's there. But that information is what they need to run a good program for each one of those students.

I've also had school board staff tell me that the ISA process, though it's been difficult, onerous and has required a lot of effort on their part, has improved their management of those files. It has improved the communication between special services like psychology and social work and the special education departments, and it has given boards a much better sense of who their high-needs students are and whether their distribution of resources is appropriate.

**Mr Prue:** For a board like Essex, that needs probably three person-years to fill out these forms, how many extra resources has the ministry given each of the school boards to fill these forms out?

**Mr Gooch:** Again, the kinds of things the boards need to do are things that they should be doing on an ongoing basis. So we have expected them to deal with the requirements of the ISA process with the staff they have in place to do assessments and to write IEPs.

**Mr Prue:** Were they required to do that before this year or these last couple of years?

**Mr Gooch:** Yes, because they have to do IEPs and they should be producing documentation of difficulties and they should be doing assessments.

**Mr Prue:** To the same extent as they are doing now, for 14 hours?

**Mr Gooch:** The ministry has provided also the additional \$10 million to help provide professional assessments.

**Mr Prue:** OK. How much time do I have?

**The Vice-Chair:** I'm so generous, you've got about two or three more minutes.

**Mr Prue:** I've got two more minutes. I'm having fun here now that I've figured out the process.

The next question I have relates to the assessment of buildings. Again, I go back the Greater Essex school board, that has told us that the Ministry of Education is spending some \$17 million to assess buildings that have already been assessed by district school boards. Is that in fact true?

**Hon Mrs Witmer:** Do you know what? There's a very good response and Drew is going to come up.

Mr Prue, I want to thank you for the interest that you've taken in the ISA process.

**Mr Drew Nameth:** My name is Drew Nameth. I'm the director of the business services branch in the Ministry of Education. In the budget speech in June this year, \$17 million was committed to evaluate the condition of each and every school in the province, and do so on a consistent basis across the province. We have put in place an accountability framework in the year 2000 to require boards to provide us with information on school condition.

As we looked at the information that we received from boards—and that information is incomplete; we don't have information on every school as yet—it was quite apparent to us and to other board staff that looked at this information that boards were using different yardsticks, that some boards were measuring their schools in quite a different way from other boards. The intent of the initiative is to take a look at each and every school in the province on a consistent basis so that we can measure the needs, the amount of money that is required to renew each of the schools, and get good, solid, comparable information that can be used to make future decisions around funding in the province.

**Mr Prue:** Were the schools not—

**The Vice-Chair:** I think your time is going to run out this time. Mr Miller.

**Mr Norm Miller (Parry Sound-Muskoka):** I'd like to thank Mr Prue for his questions. They were certainly very worthwhile questions. I've had parents come to me with questions to do with ISA and special education, and I found his questions useful.

I have four different boards in my riding of Parry Sound-Muskoka—the Trillium Lakelands board, the Simcoe county board, the Simcoe Muskoka Catholic District School Board, and the Nipissing-Parry Sound Catholic District School Board. I have also had four children attending public school in the Trillium Lakelands school board, although one has now moved on to post-secondary education, and I've got to say that the three that are still there are having a great experience. They're doing very well and benefiting; I think a lot more than their father did from his education.

I would like to congratulate the minister on her positive approach in building on the strengths of the student funding formula and trying to get the best for all the kids in Ontario. But I am the parliamentary assistant to the Minister of Northern Development and Mines, and I do have a northern riding, so I'm wondering how the student-focused funding formula responds to the needs of small boards in northern Ontario and rural Ontario, and if the minister might be able to talk about that funding formula, if it has any special adjustments for the northern Ontario boards or the small boards and rural Ontario boards.

**Hon Mrs Witmer:** First of all, there is a recognition that boards in northern and rural Ontario do have some higher costs, and so we do try to provide them with some additional financial support. But I want to congratulate those boards because I can tell you they have quietly gone about their business of balancing their budgets this year and yet they have faced the same type of pressures as some of the larger urban boards. But they've done what they always do and they've been able to balance the budget.

Having said that, we have provided to the rural and northern boards, through the remote and rural allocation funding, a tripling in the way of funding, from \$40.3 million in 1997 to a projected \$117.6 million for 2002-03. That's an increase of 192%. Also, we know that

some of these school boards in the north and the rural part of our province are experiencing declining enrolment. But you know, when you have declining enrolment, it doesn't mean you suddenly have no costs for staff. So we've allocated an additional \$17 million in the way of declining enrolment adjustment. We've also added \$6 million for transportation costs for boards with declining enrolment. So we do believe that the \$17 million and the \$6 million are going to benefit the students in remote and rural boards. These boards will see an increase in funding, even though they're seeing a drop in the number of students.

1640

We've also added \$23 million in permanent funding to the transportation budget, and then we added another \$20 million in the June 17 budget to support a new funding model for transportation. That is really going to encourage school boards to work together to best serve the needs of the students in their community. Remote and rural boards with declining enrolment are also going to benefit from top-up funding, which allows boards to continue to operate schools that are not at 100% capacity by adding a top-up of as much as 20%.

The small schools funding does provide additional financial assistance toward—

**Mr Gerretsen:** On a point of order, Mr Chairman: The minister seems to be reading from a document. I wonder if she would be prepared to table that document with the committee so that we could all have the benefit of it and study it later on as to what exactly is in it.

**The Vice-Chair:** If it is extensive, we may do that. I don't know now long the minister will be.

**Hon Mrs Witmer:** It's all going to be in Hansard.

**Mr Gerretsen:** I'd like to study it before that, because questions could be arising right from her document. Could you table that document you're reading from, the entire document?

**Hon Mrs Witmer:** I'd certainly be happy to give you the information. It's information—

**Mr Gerretsen:** No, I want you to table the document.

**Hon Mrs Witmer:** Anyway, what we're talking about—

**The Vice-Chair:** I think that is a no, actually.

**Hon Mrs Witmer:** What we are talking about is an increase in small school funding. We have more than doubled, again, the amount of money from 1997—\$26.7 million—to a projected \$70 million in 2002-03. That's an increase of 102%. I know Peter Gooch has further details on what we have done in the way of helping those schools in remote and rural areas. Would you like to hear from Mr Gooch?

**Mr O'Toole:** Oh, yes. He's excellent. Most staff are.

**Mr Miller:** Certainly, yes.

**Hon Mrs Witmer:** Maybe he has a document to table, John.

**Mr Gerretsen:** Maybe he's got some information. I find it curious that you're answering his questions and Mr Prue's questions but none of our questions. Now

there's a question for you: why aren't you answering the questions of the official opposition, Minister?

**Mr Miller:** Mr Gerretsen, you have to stop talking in order to get a question answered.

**Mr Gerretsen:** I stopped talking.

**The Vice-Chair:** OK, proceed.

**Mr Gooch:** I would say to Mr Gerretsen that the ministry does publish extensive documentation about student-focused funding. There's a wealth of information on the Web site and in our technical papers and so forth. The question is what student-focused funding provides for schools that are in northern Ontario or are remote or rural, and there are a number of components of student-focused funding, as the minister has outlined in brief, but I can explain a little bit more. We do have a very extensive database in the ministry of where schools are, their size and their enrolment. We do provide funding to boards that have small schools, because it does cost more to provide a program in a small school because there are fewer students, of course, to generate per-pupil funding to pay for teacher costs and all the sorts of things that go into that. We have a very transparent formula, and it uses a number of factors, including the number of pupils per grade in a given school, how far apart schools are, and we generate an allocation for very small schools throughout the province.

We also look at how many principals a board can fund on our benchmarks and compare that to the number of schools they have. If they have a lot of smaller schools, it's hard for them to generate funding for principals out of the normal foundation grant, so we provide an additional amount of \$10 million to provide additional funding for principals and vice-principals to school boards that have a higher proportion than usual of small schools. We also then provide an allocation for remote and rural boards, and we use factors there. Again, we look at the distance away that each board is from a major urban centre, because one of the things that drives costs for boards is moving goods and services and people around. So we look at a distance factor. Also, in the 2001-02 school year we introduced a new measure for remote and rural boards that looked at school dispersion. We used the technology that's now available through geographical information systems to be able to calculate very accurately the average distance between all the schools of a board and the board office and the distance among all the schools. That gives us a very good index of how far apart the schools are. That means, again, it turns into a good estimate of the board's costs, because they need to move goods and services and people around those schools. So we use that factor in the remote and rural funding.

Finally, we use a small board component as well, because a board is a board whether it has 5,000 pupils or 50,000 pupils. The scaling factors mean that it's hard for a board to generate out of a per-pupil basis all the funding they need to run their board, not just for their central administration but their school administration as well.



So that gives you a sense of the factors we use. The minister gave you some numbers about the growth in the total geographic circumstances funding that we provide. In 1997, we started with \$67 million. In the current school year, our estimate is that about \$187.5 million will go for geographic circumstances funding for boards; a significant increase, and something that really helps them manage their costs.

**Mr Miller:** Thank you very much for that detailed response.

I have a question to do with the Trillium Lakelands District School Board. I had a meeting with some parents a few weeks ago to do with special education and the ISA process. When they were speaking with me they had some information from the school board itself that they showed to me. On the cover it said, "This school board is being underfunded by the province of Ontario by \$13.5 million."

I'm wondering if that's factual, first of all. If the actual numbers for the Trillium Lakelands District School Board could be explained to me, I would appreciate that.

**Hon Mrs Witmer:** I will ask the deputy to give you that information.

**Ms Herbert:** Funding for Trillium Lakelands has increased from \$140 million and change in 1998 to \$146 million in 2002-03, which is an increase of about 4.8%. During that same time, their enrolment has declined by almost 800 pupils, from 20,924 to just over 20,000 this year, a decrease of 4.65%. Also, their flexible funding increased from \$3,367,000 in 2001-02 to \$4,934,000 in 2002-03, which is an increase of 45% over that time period. Their special education funding increased from almost \$12,300,000 in the first year of student-focused funding to \$13,736,000 this school year, which is an increase of 11% in that same time period.

They've also benefited from some additional money this year, including \$2 million in local priorities funding; \$933,000 as a declining enrolment adjustment to reflect the fact that they have to manage through a declining enrolment period; \$53,000 for transportation funding due to declining enrolment; \$67,000 in learning opportunities grants; and \$114,000 for school renewal. The whole total of that package was \$3,750,000.

**Mr Miller:** So there have actually been some substantial increases in funding for the Trillium Lakelands District School Board, even though their enrolment has declined by almost 5%.

**Ms Herbert:** That's right. As well, they received almost \$700,000 for textbooks out of the initiative that the Premier announced earlier this spring.

1650

**Mr Miller:** One transportation question: certainly I've had a few bus companies, especially last year, concerned about funding for bus transportation for school boards. You were speaking earlier about a new process that's going to be used to determine transportation funding. I'm wondering if that's increasing in the next year in this year's estimates.

**Hon Mrs Witmer:** The amount of money for transportation funding?

**Mr Miller:** Yes.

**Hon Mrs Witmer:** Yes, it is increasing, as we've indicated here today. We do want to have that new funding model for transportation up and running. Part of Dr Rozanski's report also takes a look at the whole issue of transportation and how we can start to encourage all boards to work together in a way to more effectively and efficiently deliver transportation by working together, as opposed to two or three buses driving down the same road.

**Mr Miller:** That would seem to make a lot of sense, I would think.

**Hon Mrs Witmer:** It does.

**Mr Miller:** I know Mr Mazzilli wants to ask a question, so I will pass it on to him.

**Mr Mazzilli:** Minister, thank you. I've learned a lot from Mr Prue's questioning also. I just want to go to the board-by-board allocation of the \$10 million for ISA assessments. One of the things that I've heard—did we not have a grip on how many special-education children we have in the province before this process? Is that what you were trying to come up with?

**Ms Herbert:** I think the process was designed at the beginning to make sure that we had identified all of the very-high-needs children in the province. ISA is designed to reflect and support exceptionally high-needs children in the province and we wanted to make sure that we and the boards had captured and recognized, if you like, for funding purposes, all of those children.

**Mr Mazzilli:** And that project was obviously over three years and then to come up with a strategy on how to deal with those numbers.

If I look at the example that Mr Prue used about—obviously these processes are exhaustive, but the Essex board received \$169,892, so \$170,000, for approximately three people doing these assessments. Would that cover the cost of staff doing those assessments?

**Ms Herbert:** That was a one-time allocation for this year to assist them to finish and complete any of their assessments; that's correct.

**Mr Mazzilli:** So classroom resources shouldn't be touched as far as these assessments with this type of funding?

**Ms Herbert:** It should help them add to their resources. They will, of course, have to use the people who have the expertise in the boards—their special education teachers and their psychologists, if they have some on staff or who they contract with—because those are the local people who know the children best.

**Mr Mazzilli:** Obviously at the end of this process you're going to have some numbers to work with, and that's why you're asking Dr Rozanski to come up with a strategy on how to fund special education properly.

**Hon Mrs Witmer:** That's right. The task force has an opportunity to take one more look as to how we can best support these students, Frank.

I think the other thing that Mr Gooch touched on that's really important is that prior to this process of assessment being put in place, different school boards had done



different jobs of assessing students. The reason some school boards are having more work to do is because some of the information that should have been available in regard to assessment of students had not been done. In this way, again, all students in the province are going to be undergoing the same type of assessment and will then be provided with the same type of human and financial support. So it's a very important process and, again, it will ensure equality of opportunity when it comes to programming and services.

**Mr Mazzilli:** So what you're saying is that before you can solve the problem, you need to identify the problem.

**Hon Mrs Witmer:** You need to identify it and you need to make sure that all children in the province go through the same type of assessment process. Unfortunately, different boards were approaching this differently.

**Mr Mazzilli:** I thank you. I'll pass it over to Mr O'Toole.

**Mr O'Toole:** I appreciate it. In special ed, clearly all of us do want proper resources there. It's really trying to find the template—the actual uniform assessment system is what we're trying to get.

I can tell you, as a trustee, I chaired special education for four years and worked with many really caring parents and staff and found there was inconsistency between boards. When I was a director on the trustees' association for the province, it was then, back in 1982, when they introduced special education funding, and it was recognized—I think it was Bill 82 at the time, I'm not sure, but that funding was actually done by a Conservative government. So it's just taken us—there were those 10 lost years there where you couldn't achieve what we're trying to do now.

I know there's \$1.37 billion spent in special ed, the highest ever in the province of Ontario. This isn't just the Kool-Aid language; these are the genuine numbers that you need to hold to benchmarks. As government over the next 10 years, we'll certainly be looking at having progressively the right amount of funding for the right amount of students.

I just want a couple of other fundamental things put on the record because I know the minister sometimes is encouraged to hear the right numbers. In fact, I get them from her. When I think of an issue and it talks about small rural schools, I can't help but think of my riding of Durham—in everything I do, really, because that's where I'm elected, hopefully. But we have a couple of schools, Minister, and they're not really rural remote, they're in the Durham board, and one of them is the best secondary school in this province. I think it has about 140 students: Cartwright secondary school, a wonderful school. There's 100% participation in that school by parents and staff, and the staff should be commended. They really work outside the language of the local contract. Mr Verness, the music teacher, is just an inspiration. All of this black armband stuff, he's not into that. I wouldn't say he's a supporter of this government, which isn't really important, but he puts his students first. But I am working on him, making sure of that.

But I guess the point is that I'm concerned about that Cartwright school. Quite honestly I'll be fighting, and I can pre-warn you on this, for that board because it doesn't fit the nice little packaged template we have. This is where you need to have that flexibility.

The last thing I want to put on the record, though, is that the number of school closures often comes up. It's a misnomer. The average number during the Liberal reign was that about 34 schools a year were closed. Sean, in all respect, we're below that.

**The Vice-Chair:** Well, you're going to have to do that some other time.

Madam Minister, I'm going to ask your indulgence for five minutes. Is that OK with you? I know you have to leave at 5:00. It's going to go to Mr Gerretsen. After the five minutes, we will adjourn. Is that OK?

**Hon Mrs Witmer:** That would be fine.

**The Vice-Chair:** Mr Gerretsen, I'll give you five minutes.

**Mr Gerretsen:** Just two issues, very quickly. It's unfortunate the government members today—you should hire them all as your PR agents, but that's beside the point. He talked about his Trillium boards. Here the board has put on paper, if I understood Mr Miller correctly, that they are being underfunded by 13.86%. I cannot imagine a board doing that if they really didn't believe that was the case. So it's like we get one side of the story here, and you're saying they're not, but we don't really know anything about the other side of the story. It would be wonderful if we could get those boards in here as well and listen to their side of the story as to how they figure they're being underfunded.

Let me just ask you very quickly about something you said very early on in your presentation, that the budget this year has gone up by 2.9%. Enrolment has only gone up by 0.4%. I would suggest to you that the cost of living has gone up by much more than 2.5%, being the difference between the two. As a matter of fact, the CPP increase this year was 3% and the cost to senior citizens who live in long-term care homes in this province has gone up by 15% as a result of the policies of your government right now. So I don't think you're doing anything all that much for education if in effect the amount that you've increased the budget hasn't even come up to whatever the cost-of-living increase has been for this year, or, if so, just barely so.

With that, I will leave it to Mr Peters, who has the last four minutes of my five minutes.

**Mr Steve Peters (Elgin-Middlesex-London):** I thought she was going to comment.

**Mr Gerretsen:** Would you like to comment on that?

**Hon Mrs Witmer:** Oh, did you want to give me a chance?

**Mr Gerretsen:** Absolutely. I was under the impression that you only answered Mr Prue's questions and your own government members' questions.

**Hon Mrs Witmer:** No, no.

**Mr Gerretsen:** I'll tell Mr Kennedy that you finally answered a question. What's the answer?

**Hon Mrs Witmer:** I just want to let you know one more time that we announced last year that we were going to give boards—

**Mr Gerretsen:** Announced. “Announced” is not the same as spending.

**Hon Mrs Witmer:** I know. We announced we were going to give boards \$360 million this year.

**Mr Gerretsen:** How much did you give them?

**Hon Mrs Witmer:** Do you know what we’re actually giving them? Four hundred million dollars. So we are giving them \$40 million more than we said we would, and do you know what? We are spending more on education than we ever have before.

**Mr Gerretsen:** Only 2.9% more than last year. Those were your comments.

**Hon Mrs Witmer:** I have to tell you that we are going to continue to make sure we provide support to our students.

**Mr Gerretsen:** Tell that to the parents and students who need special education assistants in this province, because they don’t believe—

**Hon Mrs Witmer:** That’s why we set up the Education Equality Task Force.

**Mr Gerretsen:** And in the meantime, 40,000 kids have already been assessed and there’s a need there and you’re not doing anything for them, nothing whatsoever.

**Mr Peters:** Minister, I’m hoping that when you review the funding formula, you recognize that there is more to this province than Toronto and that you need to really recognize the rural communities. Your school, where I think you first started to teach, was West Elgin. West Elgin doesn’t meet the threshold of 900-odd students but that school is such an important part of the community. Lord Dorchester, another school in my

riding, doesn’t meet that threshold of 900-odd students. Arthur Voaden in St Thomas is the same thing.

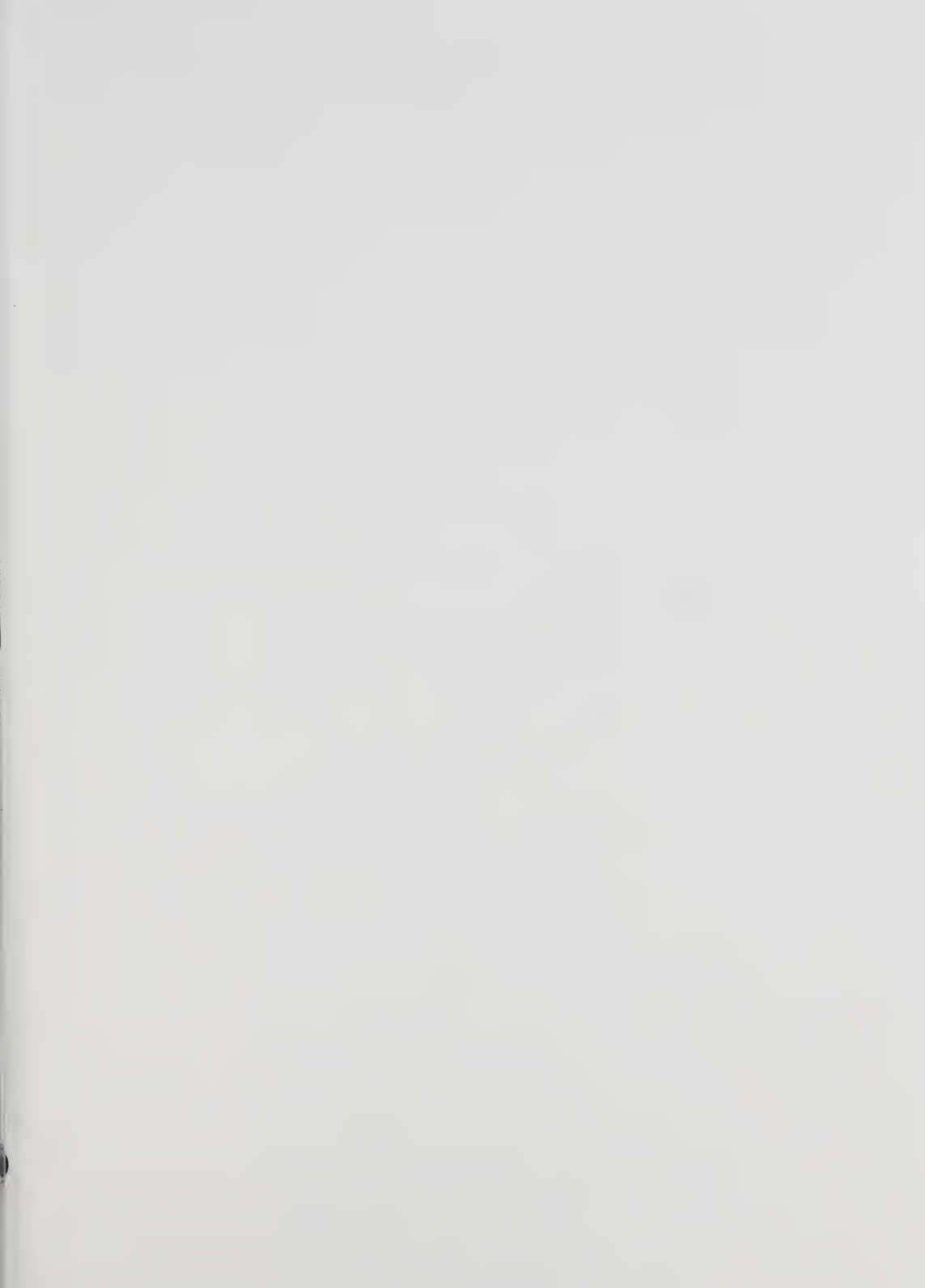
So as this funding formula review is taking place, and I recognize that you’ve got the geographic circumstances grant in place, but how to you alleviate the fears of people in those communities—West Lorne, as an example—who say, “Boy, our school doesn’t meet the threshold”? School boards are saying that they’re going to have to look at the potential for school closures. How do you alleviate fears, or what are you going to do to alleviate fears at West Elgin secondary school, because it doesn’t meet that threshold—the potential is there for a future for it?

**Hon Mrs Witmer:** I think you raise a very good point. We need to remember that there are 72 boards in Ontario. They’re not all in urban communities. We have the rural boards, we have the isolated, remote boards in northern Ontario, and I guess we want to make sure that Dr Rozanski takes a look at that, and I know he is, in order to ensure that the funding can be appropriately distributed to those boards, and takes into consideration the rural, the urban, the remote factor, the geographical issue, whether it’s a small board or a large board. I would agree with you that some of these schools don’t meet the present criteria but they are important to the future, and in some respects the future economy, of that particular community.

Yes, my first job was at West Elgin. I was proud to be a teacher and I enjoyed it.

**The Vice-Chair:** The estimates committee stands adjourned until Tuesday. Just for housekeeping, five minutes of the Liberal time has gone. They have another 15 minutes when they resume on Tuesday, immediately after routine proceedings. We stand adjourned.

*The committee adjourned at 1702.*









# CONTENTS

Wednesday 25 September 2002

<b>Ministry of Education .....</b>	<b>E-99</b>
------------------------------------	-------------

Hon Elizabeth Witmer, Minister of Education  
Ms Suzanne Herbert, Deputy Minister of Education  
Mr Norbert Hartmann, assistant deputy minister, elementary/secondary business  
and finance division  
Mr Peter Gooch, director, education finance branch  
Mr Drew Nameth, director, business services branch

## STANDING COMMITTEE ON ESTIMATES

### Chair / Président

Mr Gerard Kennedy (Parkdale-High Park L)

### Vice-Chair / Vice-Président

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gilles Bisson (Timmins-James Bay / Timmins-Baie James ND)

Mr Ted Chudleigh (Halton PC)

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gerard Kennedy (Parkdale-High Park L)

Mr Frank Mazzilli (London-Fanshawe PC)

Mr Norm Miller (Parry Sound-Muskoka PC)

Mr John O'Toole (Durham PC)

Mr Steve Peters (Elgin-Middlesex-London L)

### Substitutions / Membres remplaçants

Mr Doug Galt (Northumberland PC)

Mr Michael Prue (Beaches-East York ND)

### Also taking part / Autres participants et participantes

Mr John Gerretsen (Kingston and the Islands / Kingston et les îles L)

### Clerk / Greffière

Ms Susan Sourial

### Staff / Personnel

Mr Larry Johnston, research officer,  
Research and Information Services





**Legislative Assembly  
of Ontario**

Third Session, 37<sup>th</sup> Parliament

**Assemblée législative  
de l'Ontario**

Troisième session, 37<sup>e</sup> législature

**Official Report  
of Debates  
(Hansard)**

Tuesday 1 October 2002

**Journal  
des débats  
(Hansard)**

Mardi 1<sup>er</sup> octobre 2002

**Standing committee on  
estimates**

Ministry of Education

**Comité permanent des  
budgets des dépenses**

Ministère de l'Éducation



### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Copies of Hansard**

Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

### **Exemplaires du Journal**

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.



## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Tuesday 1 October 2002

Mardi 1<sup>er</sup> octobre 2002*The committee met at 1547 in room 151.*

## MINISTRY OF EDUCATION

**The Vice-Chair (Mr Alvin Curling):** I presume we are ready to resume the estimates of the Ministry of Education. Last time we were here, as you know, 20 minutes were allocated to the Liberals. We had done five minutes, so we have 15 minutes more of the Liberals' time.

**Mr Gerard Kennedy (Parkdale-High Park):** Minister, I want to ask you what I started talking to you about in the House. We have with us today Jamie Mookerjea. She is the parent of a child in the Ottawa school board who was to benefit from a special-needs program that your supervisor has cancelled. I'm asking you very directly, were you aware that this program was cancelled, that there were children like her son, Jevon, benefiting, and do you agree that this program should be cut and taken away from Jevon and the other kids who benefited from it?

**Hon Elizabeth Witmer (Deputy Premier, Minister of Education):** I have now indicated twice in my responses in the Legislature that our government is very committed to special education. In fact, it was our government that actually introduced legislation that made the school system universally accessible to all children.

I've also indicated that certainly we would want to meet with this mother and her son, who I understand are here. I have two staff members who are prepared to deal with and respond to the concerns this individual has. We would be more than pleased to respond to her specific concerns.

**Mr Kennedy:** Minister, her specific response is a general responsibility that you have. You've said publicly—and this is why she wants these questions to be asked publicly—that there would be no children in the Ottawa board who would be hurt as the result of your decision. You sent the supervisor in. You have allowed or permitted or directed—we don't know which—the supervisor to cut this program.

Minister, can you tell us, do you agree with the cut to this program that is depriving Jevon and 31 other children? There are 31 other kids in this class and I want you to answer to them and to their parents. Do you agree with their program being cut, and will you work to restore that program and the other special-needs cuts that have happened in Ottawa at your direction or at least at your permission?

**Hon Mrs Witmer:** Again, I would recommend that our staff would meet with the mother in order that we can specifically make sure we receive the concerns and address them.

**Mr Kennedy:** With all respect, you have the facts in front of you. The mother has presented them. We have them documented here. We have an e-mail that says she was enrolled in this program and that the child was to benefit from this language training. You cancelled the program. Surely now that you have taken charge of these boards, it is appropriate that you be answerable for what happens in them.

Do you agree that this program should be cancelled? If you do not, will you help to restore this program so she can leave today knowing that? She's concerned that when you go behind closed doors with staff—you're the minister; you're in a position to provide the commitment to her and to the other children in Ottawa. If I may, you already provided that commitment and so did the Premier. You said no kids would be hurt. Jevon is hurting. It is now the end of September and he is getting no help with his language problem.

Will you make a commitment at least to see that he gets the assistance he needs? Will you give some form of assurance here publicly, as the minister who ordered these cuts? Will you say that Jevon will get the help he requires?

**Hon Mrs Witmer:** Maybe I can try one more time to say it in a way that the member is able to comprehend. We are quite prepared—I think I heard you say there was documentation available. I can tell you that our staff want to meet with this mother. We want to make sure that the needs of her child are addressed. We are committed to doing that. That's why I am suggesting that we would give the opportunity for the mother to meet with our staff in order that we can address the needs and concerns of her child.

**Mr Kennedy:** I want to ask you a direct question. I need you try to answer one of these questions. Was it your intention to take away services from children with special needs in Ottawa? Was that your intention in sending the supervisor?

**Hon Mrs Witmer:** I will just tell you one more time: we are happy to meet with this mother. We take the concerns that have been brought to our attention very seriously. We want to make sure that we would address the needs of her child, just as we would take into con-



sideration the needs of any child. Our government has worked very hard in order to address the concerns.

**Mr Kennedy:** If you won't answer the questions here in public—you wouldn't answer them in the Legislature; you're not answering them here in committee—what possible expectation can this mother have that you'll answer them in private?

**The Vice-Chair:** May I just say that it seems we're at loggerheads. I think the minister has stated she is prepared—

**Mr John O'Toole (Durham):** He's badgering.

**The Vice-Chair:** I'm not talking about badgering. The minister seems to have indicated she's prepared to have the mother meet with the respective—

**Mr Kennedy:** But with all respect, Mr Chair, that's a qualitative answer that says no, the minister will not answer the question directly. It's a way of avoiding the question.

Without challenging the chair in any respect whatsoever, it is important that the minister be given every opportunity to answer the questions. When successively questioned, she has avoided answering. I would ask for your help to help her to answer them.

**The Vice-Chair:** I'm trying to do that, Mr Kennedy. Would you be prepared that the mother meet with the staff of the ministry to resolve the matter in that respect, because the minister seems—

**Mr Kennedy:** Can you help me? Why is the minister not answering the questions today?

**The Vice-Chair:** She has emphasized, probably about four or five times, that's the direction she wants to go, if the mother is prepared to meet with the staff. I presume she's saying she refuses to answer beyond that. Is that OK?

**Mr Kennedy:** That is very regrettable. The Premier made a statement that was reported in a number of papers, including the National Post on August 29: "It is my understanding that no student who receives and qualifies for special education in Ottawa will be denied those services as a result of the things announced by Mr Beckstead," whom you hired, Minister.

Here's the child; here's the parent. They're here—at least she's here on behalf of her child—and you won't answer the questions.

I'd like to move on then. I can tell you we won't move on—

**Hon Mrs Witmer:** Would the mother like to meet with our staff?

**Mr Kennedy:** I'm not asking you a new question. You've taken up enough time not answering, unless you're prepared to answer the question.

**Hon Mrs Witmer:** Would the mother like to meet with our staff? Our staff are here, and we certainly want to make sure we can address the needs of her son.

**Mr Kennedy:** On her behalf, I'm authorized to say that she's prepared to meet, but she is disappointed that you won't answer the question. She would prefer that you answer the question here in public. That is her preference, expressed directly. If she had the opportunity

to meet with you, as you offered in the House—you said you would meet with her—she would tell you that directly.

**Hon Mrs Witmer:** We have staff available right now to meet.

**Mr Kennedy:** How can they give an answer if you won't give one here in public?

**The Vice-Chair:** Let's move on—

*Interjections.*

**Mr Kennedy:** For the benefit of the committee—

**The Vice-Chair:** Madam Minister, I understand that you're prepared to have staff meet with the mother some time.

**Hon Mrs Witmer:** Yes. We have two staff members here, both with responsibilities for special education. Obviously we're concerned about what we've heard, and we want to make sure that the needs of this young boy are addressed.

**Mr Kennedy:** Minister, has indicated there's documentation here. We obviously want to work with this family in order that we can address those needs, and we're not prepared to play politics with this issue.

**Mr Kennedy:** Minister, there are 31 other children in this class. There are hundreds of other kids who are affected, and many more of them are prepared to come down to this Legislature. They shouldn't have to do that. It's shameful that you won't take responsibility for cuts you've enacted.

I want to ask you about some other areas of your responsibility. Before I do that, I want to note for the record that this is with reference to a program called the kindergarten language head start program. It was a program initiated by the Ottawa board to give children a chance to overcome their language difficulties, and it's been cancelled as a direct result of the supervisor's decision.

Minister, I want to ask you about the grade 10 literacy test. I want to know from you what program specifically you have in place that you've been referring to in the media today in terms of alternative diplomas. Is this something your ministry has researched and there's some data or some information you'd care to share with the committee today? Is there a specific plan about an alternative diploma that we could have tabled today?

**Hon Mrs Witmer:** I'm glad you asked us about this particular issue, because I think today we should all be celebrating. Our students and teachers in the province have worked very hard over the past year to ensure they can improve the basic literacy results. I can tell you, however, that we need to do more for those students who have not been able to achieve success. I have been meeting with school board trustees, school board chairs, staff of school boards, students themselves and teachers in classrooms in order that we can make sure the 25% of the students who did not achieve success this time will in the future. We want to help those students who are in need of additional support.

**Mr Kennedy:** It seems there's a no.

**Hon Mrs Witmer:** We've already invested \$25 million in remediation programs. I quoted from the Lime-

stone board about the fact that that money has certainly helped them improve their results. But having said that, there's still more we need to do. We cannot leave any child behind.

**Mr Kennedy:** I guess the answer is no. The answer is, there is no plan. I want to ask, Minister, why do you not have a plan? Your ministry had a practice test in October 2000, and even though it was a practice test and the EQAO said it wouldn't be used for comparison, it still showed a very grave problem. How can it be that we don't have a comprehensive plan?

Obviously you don't have a plan for an alternative diploma that can be shared with the committee; that is unfortunate. Is there any written plan, something that shows the ministry is taking seriously the 32,000 kids who right now face not graduating? Is there a detailed plan, something you can share with us to show that the Ministry of Education is taking the problems of these 32,000 kids with the utmost seriousness?

We have many experts in the room who are education specialists. Presumably they've been working on this issue since those first test results came out. Is there a plan that could be tabled for the benefit of the committee that we could see here today?

**Hon Mrs Witmer:** Mr Chair, I'm surprised. We have had a plan. We have been working now for many years to respond to the concerns of parents and the public of Ontario. They were looking for students to achieve academic success, higher standards.

**Mr Kennedy:** Minister, the question was about a plan.

**Hon Mrs Witmer:** That's why we have put in place the literacy test. That's why we have put in place the new programs on the early literacy and the early math programs—

**Mr Kennedy:** With respect, Minister, is there a plan?

**Hon Mrs Witmer:** —and we've invested about \$60 million. We have put in place \$25 million—

**Mr Kennedy:** Minister, this is a grade 10 test and those kids don't benefit. Could you table a plan?

**Hon Mrs Witmer:** I'm really sorry, Mr Kennedy, but you obviously don't understand. There has been a lot of work involved. There is a very comprehensive plan—

**Mr Kennedy:** What I've asked very specifically, Mr Chair, because this is our limited time in the opposition—

**Hon Mrs Witmer:** —and I'm going to ask the deputy to make further comments, because she has been involved.

**Mr Kennedy:** Deputy, I'll ask you then to direct your comments to my question. The question was, do you have a plan, an outline, a strategy that is written down that we in this committee, who are charged with looking at what you do with the funds that are granted by the Legislature, can see, a written plan on how to help young adults who are struggling to pass this literacy test? Is there such a plan in your ministry, and can you bring it here today?

1600

**Ms Suzanne Herbert:** There is a group called the Curriculum Implementation Partnership that is chaired by

myself and the dean of OISE, Michael Fullan. They have undertaken, through the subcommittee of the Curriculum Partnership, to do work in this area. They've been working on the—

**Mr Kennedy:** I spoke with Dean Fullan, and I understand that committee hasn't met for some time. Is there a plan that's generated?

**Ms Herbert:** It meets on a regularly scheduled basis, every four months. It has put together recommendations to the curriculum partnership which have been accepted by the curriculum partnership.

**Mr Kennedy:** Are those available here today?

**Ms Herbert:** They're not available here today, no.

**Mr Kennedy:** Is there anything else that looks like a plan for these kids that we could have access to in this committee? I think it's fair information to be shared.

**Ms Herbert:** I think we'd be happy to table our information on all the programs that we do on remediation. Those programs are public information.

**Mr Kennedy:** It sounds like there is no comprehensive strategy focused on these 32,000 kids, and I feel that's a very unfortunate gap in your mandate.

**Ms Herbert:** With all due respect, I would disagree with you.

**Mr Kennedy:** Could we see such a plan if it exists?

**Ms Herbert:** I said I would be happy to table our public information.

**Mr Kennedy:** While I have your attention, could I ask for the other things that you said you would be tabling? There are a number of things we asked for a few days ago that you said would be forthcoming; for example, the costs of the supervisors and a number of pieces of related information. Is that information here today?

**Ms Herbert:** That information will be tabled for the committee or we can respond to it today.

**Mr Kennedy:** Is it here today to be tabled for the benefit of the members of the committee?

**Ms Herbert:** We'll be happy to answer those questions for you.

**Mr Kennedy:** I'm sorry, is it or is it not here?

**Ms Herbert:** I'm sorry?

**Mr Kennedy:** Is the information that you said you would bring forward here today for the benefit of the committee?

**Ms Herbert:** I'd be happy to answer those questions.

**Mr Kennedy:** We asked, and you agreed to provide it in writing. I don't know why—that would be stalling on your part for that.

Having learned there's not a plan, Minister, I would recommend to you that some of the approaches we have put forward are something that you might—

**Hon Mrs Witmer:** With all due respect, there is a plan. Obviously you don't wish to hear it.

**Mr Kennedy:** You have no plan, because you haven't tabled anything here whatsoever. Your platitudes aren't going to help 32,000 kids. They simply aren't.

**Hon Mrs Witmer:** Your leader said that all students were going to achieve 75%. I can tell you, with this literacy test, we're already here.



**Mr Kennedy:** You want to pay close attention, because we're saying there needs to be a 50% improvement.

I challenge you here today, and you can tell us if you'll accept the challenge, to set a target, to say that 90% of kids can pass that literacy test. Do you accept that? Do you? If you had a plan, you might.

**Hon Mrs Witmer:** We have a plan. Do you know what? I think that probably you should focus on the facts and not the fiction.

**Mr Kennedy:** It's unfortunate that you don't have enough effort being put forward by your ministry to put it forward to us at this committee that scrutinizes your expenses. The people of Ontario, and these parents and young adults particularly, are concerned about what will happen to them. We've seen not one piece of paper forthcoming from your ministry.

**The Vice-Chair:** The time is up. It is the time of the NDP for their 20 minutes. They are not here. I'm going to ask the committee—the NDP is walking in right now. They have 20 minutes. I know Mr Marchese is quite ready to present his 20 minutes just now.

**Mr Rosario Marchese (Trinity-Spadina):** Thank you for your indulgence, Mr Chair.

**The Vice-Chair:** I do have lots.

**Mr Marchese:** There's so much to say. Minister, welcome back.

**Hon Mrs Witmer:** You're welcome. It's always good to see you.

**Mr Marchese:** I enjoy seeing you too; here, in the House.

**Hon Mrs Witmer:** Everywhere.

**Mr Marchese:** Everywhere, exactly.

Can I ask you just a quick question? How many people are working with the supervisor here at the Toronto board of education at the moment? How many staff do they have? Do you know?

**Hon Mrs Witmer:** Do you know what? I'm going to let the Deputy respond to that question.

**Ms Herbert:** My understanding is that the supervisor has one staff that he's hired to work with him. Obviously, they have the potential to hire others to do additional work within the board at their discretion. That's part of their role.

**Mr Marchese:** Let me try to, by way of names—we have Mr Christie; McVicar, yes? We have Ross Parry, PR guy. We have Mac Penney. Is Mac Penney on this file or not? Directly, indirectly? Do we know? Does the minister know?

**Ms Herbert:** As far as I know, the first two names, Mr Christie and Mr McVicar, were announced by the government, and then there is a communications officer.

**Mr Marchese:** Yes, that's Ross Parry, right?

**Ms Herbert:** Right.

**Mr Marchese:** Is Mr Rosen back on this file?

**Ms Herbert:** Mr Rosen was the investigator for—

**Mr Marchese:** I understand that. Is he back on the file?

**Ms Herbert:** The supervisor may have asked for additional audit work to be done. That's entirely possible.

**Mr Marchese:** May have? Did? We don't know? We know?

**Ms Herbert:** He's the supervisor. He's authorizing the running of the board.

**Mr Marchese:** But you don't know what—

**Ms Herbert:** I do not personally know this.

**Mr Marchese:** Did someone from Rosen's office or connected to Rosen get hired, another accountant?

**Ms Herbert:** All I can say is that if the supervisor has asked for additional audit work to be done at the board since he's begun his task there, there may be staff doing audit work. That's entirely possible.

**Mr Marchese:** Yes, of course. What's your view, Minister and/or Deputy, about all this? Don't we have a lot of people on this file? How many people do you need? Rosen has already done his dirty work. Then we've got so many of these other people on this file. There are these PR people. How many people do we need to take care of this file?

**Hon Mrs Witmer:** Perhaps you could tell us how many people you think we need.

**Mr Marchese:** I can tell you.

**Hon Mrs Witmer:** I still remain in the position I took originally. I always think it would have been in the best interests of the board to have looked for a way to balance their budget and remain masters of their own house, Mr Marchese. That didn't happen. As you know, the recommendations that had been made by staff to balance the budget were not approved by a small majority of trustees. As a result, the recommendation was made to send in a supervisor.

**Mr Marchese:** Sure.

**Hon Mrs Witmer:** I think the supervisors are, to the best of their ability, doing the job that has been asked of them. They are bringing forward a plan to balance the budget.

**Mr Marchese:** I understand.

**Hon Mrs Witmer:** I know they've been meeting with staff, parents and trustees. I'm optimistic they will be able to move us forward in a way that continues to provide stability for the students of Toronto.

**Mr Marchese:** Are you aware what Mr Rosen had recommended should be cut to balance the budget? Could you tell us some of the things he wants to cut?

**Hon Mrs Witmer:** That report was, as you know, public information.

**Mr Marchese:** Yes.

**Hon Mrs Witmer:** It's going to be up to the supervisors at the end of the day to take into consideration what they're hearing from the community, the staff and the trustees, and of course take into consideration what was recommended by the investigator as well.

**Mr Marchese:** Is there anything Rosen recommended by way of cuts where you would simply say, "No, we can't do that"?



**Hon Mrs Witmer:** At this point in time, we have asked the supervisor to do the consultation with the community to best determine how we can balance the budget.

**Mr Marchese:** I understand that, but you see—

**Hon Mrs Witmer:** That report will be available at the end of October.

**Mr Marchese:** I know that. I'm not concerned about that.

**Hon Mrs Witmer:** I'm not going to try to speculate about what may or may not be, because the responsibility has been given to others to make those decisions.

**Mr Marchese:** I understand that. They could have balanced their budget. I agree with you. If they had done all the things Mr Rosen recommended, they could have done it.

In my touring on our document on our vision of education, we learned that the majority of boards have had to make cuts that were program related, and then at the same time had to dip into their reserve funds to keep their budgets balanced. Anybody can do that. What it means is doing two critical things: cutting programs and dipping into reserve funds. Does it worry you a little bit that they've had to do that?

**Hon Mrs Witmer:** In answer to your question, there was a budget that had been prepared by the director and staff of the Toronto board that the trustees had an opportunity to look at. There were the recommendations from Mr Rosen. At the end of the day, I think we're going to have to wait and see what the supervisor recommends in the way of how we move forward to balance the budget. I would hope we would continue to keep in mind, first and foremost, and always, the needs of the children in the classroom.

**Mr Marchese:** I agree with you. The needs of the kids in the classroom preoccupy me too. That's my concern. I have a problem about what we would cut from the education system and how that would affect the students and the quality of education, and you're simply not commenting on that. You're simply saying, "Well, the supervisors will look at it. They'll bring back recommendations and we'll see." It doesn't address my concern.

1610

I'm sure you're concerned about this too, because when they have to dip into reserve funds, it ought to worry you as a minister. It worries me as a former teacher and trustee and as critic for education, because reserve funds are there for a rainy day. They are collected over a period of time to deal with emergency matters that arise from time to time. For them to dip into that to keep their books balanced, to address your requirements, your funding formula requirements—you give them no choice. Does it worry you?

**Hon Mrs Witmer:** You know what? I would agree with you. I think we are both concerned about the student in the classroom. Having said that, we need to keep in mind that shortly after Mr Eves became Premier, our government certainly had heard people in Ontario speak about the fact that the funding formula needed to be reviewed. There were some concerns about whether it

was responding to the needs throughout the province of Ontario.

As you know, we did set up, within a very short period of time, a task force under Dr Mordechai Rozanski. They have been travelling the province. They have had many consultations with many groups. People have been very impressed with Dr Rozanski's sincere commitment to students.

I do anticipate, Mr Marchese, because I do share your concerns—we need to make sure there is fairness, equality and stability, and obviously we also need to make sure that there is adequate funding for students to meet their needs. We are working with Rozanski. He'll be giving us the recommendations in November, and we'll move forward from there.

**Mr Marchese:** I hear you. Obviously I realize that you and Eves are gently moving in a different direction, because you want to get rid of politics in the education system.

**Hon Mrs Witmer:** I do.

**Mr Marchese:** Yes, and all these trustees are so political.

**Hon Mrs Witmer:** No. Having been a trustee—and you have too, Mr Marchese—I would tell you that I think the majority of trustees do an outstanding job. They work very hard on behalf of the people in their communities.

**Mr Marchese:** But a number of people in your government—and I'm not sure whether you did this as well—have commented on the fact that these trustees in these three boards—Toronto, Hamilton and Ottawa—are really playing political games. They could have balanced the budget but they haven't, so they're playing politics. They're not worried about what's happening to their students; they're not worried about cutting programs that would affect students. They are simply playing politics. You don't believe that, do you?

**Hon Mrs Witmer:** Mr Marchese, it would be inappropriate for me to speculate on what may or may not have influenced anybody's decision-making.

**Mr Marchese:** Can I ask you about swimming pools? What do you think about them?

**Hon Mrs Witmer:** I don't know. What do you think about them?

**Mr Marchese:** I like them. I like swimming pools. Because I don't swim very well, you see, so I—

**Mr O'Toole:** They're very expensive. I don't have one in my house.

**Mr Marchese:** Neither do I, but swimming pools are good for people like me, because I don't know how to swim. I remember Harbord Collegiate—grade 9 or 10. Mr Beckett, my math teacher—we were there doing whatever training it was and he said, because he knew I couldn't swim, "Why don't you just jump into the pool?" He thought this is the best way to get this kid to learn, right? So I dive into the pool, but I don't end up on the other side where O'Toole is—I was about to say "thank God"—but I end up in the middle. I can't swim. Here I am struggling to get up, then I land in the middle of this pool and I go down. Mr Beckett is saying to just wait for

him; he'll swim. I go down once and I'm not calling for help because I'm brave, right? I also know there are a lot of people in the pool who wouldn't let me die—I didn't think. I go down three times and eventually somebody had to come and nudge me to the other side. You see, pools serve a great purpose in those schools. For me, at least, it was a good thing. You like pools too, don't you?

**Hon Mrs Witmer:** Well, if we are going to share personal experiences, growing up in Exeter, Ontario, I can tell you that we didn't have pools, but we did have the river. So I grew up learning to swim in the local river. We just made sure we didn't put our feet down, because there were things down there that you didn't want your feet to touch. As far as pools are concerned, we know that throughout the province of Ontario the majority of pools are probably operated by the local municipality. Here in the city of Toronto, I know that discussions have been going on with the city to see if they would like to assume responsibility for the pools, because pools are not within the funding formula at the present time. We're looking at other partners to assume some responsibility for those pools.

**Mr Marchese:** Ernie doesn't like pools, does he? He doesn't like chlorine, does he?

**Hon Mrs Witmer:** I would never speak for anyone else as to what they may or may not like.

**Mr Marchese:** But, Elizabeth, just to tell you something, in the old days the provincial government didn't fund swimming pools. Is that correct?

**Hon Mrs Witmer:** I'm sorry?

**Mr Marchese:** In the old days, when boards were raising a lot of their own money from their own assessments, they didn't get help from the province to pay for those pools; is that correct?

**Hon Mrs Witmer:** The only thing I can tell you is that there is no other board in Ontario that solely operates pools. I think there are pools that are operated in conjunction with municipalities, and that's the type of partnership we would be looking to see developed here in Toronto.

**Mr Marchese:** No disagreement about partnerships.

**Hon Mrs Witmer:** I don't disagree with you. You benefited from the experience.

**Mr Marchese:** Yes.

**Mr O'Toole:** He still can't swim.

**Mr Marchese:** No, I'm OK, John. I swim OK; not great, but I can survive; I won't die for 10 minutes.

I wanted to say to you, Elizabeth, that those pools were paid for by the taxpayers of Toronto. You agree. You know that.

**Hon Mrs Witmer:** Do you know what? I can't dispute that.

**Mr Marchese:** Because it's true. We, the taxpayers, paid for our swimming pools because we thought it was a good thing.

**Hon Mrs Witmer:** That's why, if Toronto assumes joint responsibility with the school board, they will still continue to be supported by Toronto taxpayers.

**Mr Marchese:** No disagreement. I'm going to get to that in a second.

**Hon Mrs Witmer:** OK.

**Mr Marchese:** The point is that you or a previous minister—Ecker, I know, didn't have pools in Durham, but we did. No one ever said, "We recognize that you Toronto residents paid for that out of your local assessment." No one has ever said that; not your former boss, Mike Harris; not Ernie currently, because he doesn't like chlorine; not you; not Ecker; no one. But it would have been right and fair to have said, "We didn't put in a cent as a province; they did."

What you did that created a problem in all this is that you took financing away from boards of education so they could no longer fund the swimming pools on their own, because you now have complete control. Do we agree?

**Hon Mrs Witmer:** The funding model has changed, Mr Marchese.

**Mr Marchese:** I know that. You centralized education financing. You took it away from local boards. All of a sudden these school boards have pools and you and Ernie say, "Pools are bad. We should be running schools. It shouldn't be part of what school boards do." That's what you guys were saying. But that's what they were doing, because they had local control. Now they have no more local control and you're saying to those communities, "We don't like it." Does that present a problem for you in intellectual terms of how I'm presenting it, or do you have an opinion one way or the other on this?

**Hon Mrs Witmer:** No, I'm listening with a lot of interest.

**Mr Marchese:** I know that. Then you talked about the idea of joint partnerships with the city of Toronto. The problem is, the city's saying, "We have a serious funding problem." I'm going to wait so that you—

**Hon Mrs Witmer:** No, it's OK.

**Mr Marchese:** You're saying the boards in the city of Toronto could work together.

**Hon Mrs Witmer:** Go ahead.

**Mr Marchese:** No, I want your undivided attention.

**Hon Mrs Witmer:** OK.

**Mr Marchese:** I don't mind waiting.

**Hon Mrs Witmer:** All right.

**Mr Marchese:** The city of Toronto's saying, "We don't have the money." Mel Lastman was just screaming at the federal government saying, "Great promises, but they don't deliver the money." They have the same beef with the province: "Great to have ideas, but we don't have the money."

**Hon Mrs Witmer:** I've just been given some information.

**Mr Marchese:** God bless the deputy.

**Hon Mrs Witmer:** On March 7, 2002, Toronto city councillors approved funding to keep the pools open. The city of Toronto will contribute \$6.3 million to the annual operating cost on the condition that the board contributes \$5.4 million annually. This funding allows for the con-



tinued operation of all 84 swimming pools, and of course that is under review.

1620

**Mr Marchese:** Sure. But a question to you and the deputy—I don't mind her participating, by the way—if the boards can't afford it any more, they've got a problem, right?

**Hon Mrs Witmer:** Don't forget that Rozanski is reviewing the funding formula.

**Mr Marchese:** Oh, he's looking at that. Right. We're going to have swimming pools in Toronto, so the kids at Harbord Collegiate can learn to swim.

**The Acting Chair (Mr Steve Peters):** Two minutes.

**Mr Marchese:** Steve seems to be very vigorous, I can tell. That's very good, Chair.

The problem I have, Minister, is that the city doesn't have any money. They're not going to let the swimming pools close; they can't. They have to put up money and they're doing so under duress. Secondly, they have to raise property taxes, and you've frozen the commercial-industrial tax portion, so they have to go after the homeowners. What is the city to do? They don't have the money. They don't want the schools to close. They're going to have to find the money that they're not getting from your government, so they're going to have to increase property taxes. Do you think that's the right thing to do?

**Hon Mrs Witmer:** Again, I will tell you there are discussions that are ongoing with the city regarding this whole issue. As I pointed out originally, in other parts of the province, pools are often operated in conjunction with local municipalities. The city has demonstrated a willingness to discuss this issue further.

**Mr Marchese:** But they're broke. They have no money. What do we do? They're saying, "We can't afford this," and they can't afford to close the swimming pools. So are we helping? Is the province helping out?

**Hon Mrs Witmer:** The discussions are ongoing, so I wouldn't speculate as to what may or may not be. Let's face it, regardless of who pays for the swimming pools, at the end of the day it's all coming from the same taxpayer. There's no magic pot of money.

**Mr Marchese:** Quite right, except that most people say property taxes are an unfair way to raise money, because people on fixed incomes can't afford some of those increases we are levying because of the download, the flushing down of responsibilities to the local municipalities. So they're saying, "Look, yes, there's one taxpayer, but if you are going after the people who have the least to pay because they're on fixed incomes, then that's an unfair way to raise the money." Would you agree or not agree?

**Hon Mrs Witmer:** I always have a lot of sympathy for people who are on fixed incomes. I think that's why our government has worked so hard to reduce all taxes. That's why we've seen job growth of about 954,000.

**The Acting Chair:** That concludes this round. We move to the government side.

**Mr O'Toole:** I just want to apologize to the members of the committee for the outlandish behaviour of Mr Kennedy in badgering—

**The Acting Chair:** Let's not editorialize and comment on individual members.

**Mr O'Toole:** The point is that you have to put these things on the record. As a member of the committee I feel it's indeed my duty to make it known that that's the mood of most of the committee members. If we're allowing the minister to respond to questions and I think acquiesce to meet with the family to try to resolve or at least certainly understand the demands Mr Kennedy was making—I really feel bad for the family being used as a political weapon by the Liberal education critic.

That being said, I had a couple of things. I want to pick up for a moment, if I may, on Mr Marchese's line of questioning. If I go back to the reforms in education during the time I was a trustee, which may seem a long time ago, the arguments are pretty much the same. They haven't really changed since Bill 82, I suppose, around 1982, the special education issue, anyway. There are still demands for more resources; no question. He brought up the important point, where did the education reforms really start, whether it's funding for pools or whatever the issue?

I have to give some credit to the NDP. They started the Royal Commission on Learning, which was a fundamental basis for reforming education. In fact David Cooke, who was then the Minister of Education, really was quite instrumental in starting the Education Quality and Accountability Office; he was instrumental in initiating the College of Teachers; he was instrumental in initiating curriculum reform; in fact, he instituted the first testing, all while he was the Minister of Education. We've simply made him one of the co-chairs of the Education Improvement Commission to bring those ongoing changes forward with some continuity and provided some service to the government in that capacity. So these debates, whether it's Mr Kennedy or whoever, are not new.

I think what we've done is added some stability and some confidence that education dollars would be spent on education. We've sort of called it classroom and non-classroom, but more specifically it's special ed. Much of that funding and some of the mechanisms weren't very accountable. I chaired the special education advisory committee, SEAC, when I was a trustee. I am quite familiar with the process and how it has subsequently changed. In fact, I could make the argument that the caseload on special education has quadrupled. There are more and more kids being identified who were never identified before. They just never did the IPRC, because under the act they were required then, if they identified them, to provide the service. The best way to avoid that is not to identify them.

Mr Marchese, let's go back. There were a couple of reports. The Fair Tax Commission talked about how you fund public education. There were disparities between the simple board I was on, which was spending about



65% of what Toronto and other assessment-rich communities were paying—in our community the assessment base was made up of about 12% industrial-commercial and the balance was residential, in Toronto it was about 50% industrial-commercial and 50% residential. It had a bigger base to spread a rich level of services on.

No one would argue with how important pools and other resources are, but I think equity in education is what's being missed. What's fair for Toronto and fair for all children is really what, I think, the minister is trying to achieve here. That equity was mentioned in the royal commission. It was mentioned in the Fair Tax Commission, most of which you should have been part of when you were the government. Of course you ran up such large deficits that you couldn't adequately fund any of it anyway.

I want to personalize this a bit. I think of when my son was attending Bowmanville High School, a ranked athlete, a ranked triathlete actually, went to a high school where there was a pool attached to the school. The pool was not available to the students because it was municipally operated. There was no co-operation between the two levels at all. He participated because he paid a fee. He joined the swim team etc. There were other children who were supported on the swim team through Rotary and Lions and in other ways. So there were mechanisms for making sure that opportunities were there for children who had the interest, and families and other charity organizations supported that as well.

At the end of the day, Mr Marchese, I would say it's about equity in education. We have to find a mechanism. That's what I think Professor Rozanski is doing, trying to find some equitable way of providing opportunities for all children in every part of this province. This has been a struggle for two decades at least.

I want to focus on one area that I think is quite important. I know it's important to the Minister of Education; I've heard her speak with some passion on it. That is special education. I know personally, and I would like to hear the minister respond on, the number of initiatives, the early literacy and other strategies that the minister has vigorously brought forward, funded and is delivering, whether it is textbooks, learning materials, recognition for teacher excellence. The whole special education initiative is a multi-year plan.

I ask you, Minister, to help us on the committee, and those who may read Hansard, about the initiatives you personally have committed yourself to on behalf of those vulnerable children in the sense of equity across this province. That's what we're looking for, making sure—for instance, we talked about the Ottawa case earlier. I watch this very rigorously. Ottawa specifically was spending almost twice as much as my board. I have children, parents with children who have special needs in my riding. I try to respond that I am arguing with the minister to make sure we get the fair amount of resources that are available.

What we need is equity. Ottawa, in my view, had a very rich model that I don't feel was sustainable for all

children in Ontario. Could you perhaps share the multi-year approach to special education resolve? I know it's \$1.37 billion now, the highest ever in my understanding, and it's not dependent on assessment-rich boards.

**1630**

**Hon Mrs Witmer:** It isn't any more. Really the objective is to ensure that all children in Ontario, no matter what their background might be or where they live or what challenges or advantages they might have, will have the same universal educational opportunity. That's what the funding formula is all about, and that's what the educational initiatives we have introduced are all about.

I guess I have to tell you up front that it really concerns me when people try to play politics with this issue. I had the opportunity, when I was a teacher, to teach children who had special needs. I know how hard teachers in the school work. I know how supportive parents can be. I would agree that we always need to continue to do more. We are identifying more students with special needs than ever before. We are serving students now in the school system who at one time simply didn't have the access to the school system that they need today. So they need very intensive support.

In fact we've asked Dr Rozanski to take a look at the whole issue of special education. Is our delivery of the special education services, the way we are doing it, the best that it can possibly be? We continue to hear concerns of parents and we hear, certainly, from teachers as well. I think we continually need to be evaluating the manner in which we respond to the needs of the students in the province of Ontario, so our minds continue to be open.

I also had the opportunity—because it was Dr Bette Stephenson, of course, who set up this whole initiative that allowed and encouraged students with special needs to have universal access. I was on the provincial special education committee. I'll tell you, there are very committed people in this province who are working together in partnership and co-operation in order that we can provide the best programs possible.

There has been a lot of progress made since 1995, and I just want to talk about a few things because I think you were interested in that. We've provided more than \$2 million to support the first phase of the Promoting Early Intervention project with the Learning Disabilities Association of Ontario. Now here is an example of how a voluntary sector initiative built on partnership can reinforce and support important province-wide policies like early identification and prevention.

You might be interested in knowing what's happening in PEI. There is now a recommended definition that has been put forward by the learning disabilities association, and there are proposed criteria for identifying children at risk. In fact I had the opportunity to speak to this association on Saturday here in Toronto. There is a dynamic screening and intervention model for senior kindergarten students. It screened more than 2,500 kindergarten students. We're looking forward to seeing the report on the pilot. My understanding is we are going to get it later this fall.

There is also now a Web-based teaching tool which is helping front-line teachers provide very effective and targeted intervention. You know, that is sometimes overlooked. We have excellent, outstanding teachers who work all day with special education students, but we have the classroom teacher, of course, who also needs to be trained in providing the best support possible to students that he or she may have in her class. So based on the initial results of the pilot, we are going to be providing almost \$1 million over the next two years to now fund phase two, because phase one was so successful, of this PEI initiative. It is going to enable those senior kindergarten children who were screened last year to be followed into grade 1 and to expand the Web-based teaching tool to help our teachers.

We really do hope that the research and the findings will help us to improve the strategies that we have already put in place to improve early reading and math skills. This fall, the representatives of the learning disabilities association will be sharing their findings with the early reading and early math expert panels. This is going to be a tremendously important step toward improving the ability of our dedicated teachers to reaching those children who have learning disabilities as early as possible. If I could go back for a minute to what we did at health, we set up the Healthy Babies, Healthy Children program in order that we could start to identify the students as early as possible, to intervene and support them in their lives in order that they can achieve their full potential.

What else are we doing? Our government is moving forward with a multi-year improvement plan for special education. We want to make sure that boards understand what is being expected of them, and we want to make sure they are all going to have the capacity to develop and implement new standards. It's going to take a little bit of time to get it right, because boards are at different stages of development. So you have the IEP reviews plus last year's report on special education by the provincial auditor. The good news is it shows that school boards are making the effort to implement the standards, but unfortunately there is still a long way to go. So we need to help them.

What are we doing? Prior to the start of the current school year, the ministry released an IEP template as a resource to assist our school boards. At the same time, we are consulting with the very committee I sat on, the Advisory Council on Special Education, and other partners on the development of sample IEPs and on updating the ministry's 1998 IEP resource guide. Above that, we are going to urge boards to establish mechanisms to internally review the quality of their IEPs, as was recommended by the provincial auditor. This experience with IEP standards and the review of school board special education plans will be valuable as we continue to review the work on program standards. I know it's a very complex issue, but based on the initial review of the recommended program standards, we believe that right now there would be a benefit in having further con-

sultation with our stakeholders. I am going to be announcing some next steps in January next year, as far as this process is concerned.

Let's take a look at coordinated services. We're moving forward with our coordinated services initiative. It's going to make it easier for parents to negotiate services for their children and ensure that students will not experience gaps in service. We're going to be working with other ministries. This is important, because we've had these silos and we've got to break down these silos. Education must be working with Comsoc, with health and with other key stakeholders, such as the LDAO that I mentioned, and of course with the advisory council.

Our first priority is to develop a set of guidelines for school boards that will promote better coordination of services for children as they go through the transition from preschool to the school system. These guidelines will help ensure that we build on existing interventions and that schools are ready to receive the children who have benefited from these programs.

Today we are spending \$1.37 billion for special education. I would just add here that this money continues to be protected, and that's important, because before the introduction of the funding model, oftentimes the money was not necessarily going where it was intended. We have increased special education funding by over 17% since the model was introduced. It was designed to ensure that the resources were invested where they mattered the most: on behalf of our students.

Our goal has not changed, but, as I mentioned to Mr Marchese before, we have heard concerns from parents, school boards, teachers and students about the limitations of the current funding formula. As I said at the outset, that's why we have Dr Rozanski doing the review. That's why he's taking a look at the current approach to funding special education, in order to make sure that what we're doing is really the most responsive way to address the needs of our students. We, of course, look forward to the work he is doing.

I just want to add that Lynn Ziraldo, the chair of the Minister's Advisory Council on Special Education is on the task force stakeholder advisory committee and that Dr Rozanski actually spent one whole stakeholder session on the issue of special education. This is an important issue for our government, and Dr Rozanski will give us his recommendations in November. I have to tell you that I am looking forward to seeing how we can better meet the needs of special education students.

These are a few things we are doing.

1640

**Mr O'Toole:** There is absolutely no end to the commitment, just listening to your comments. I just want to make a comment on the record; it is so important to me. I know the commitment to school renewal and new pupil places is almost half a billion. This has been a real boon: in fact, the whole Durham region has benefited from the new school funding mechanism. I just want to personally invite you to the official opening this Friday of St Francis of Assisi Catholic elementary school in Newcastle. I



know you would love to be there, Minister, and I know you are busy, but I certainly have every regard that if you were available you would be there.

With the moment left, I have to come back—I'm paying some closer attention to the fuzzy Liberal plan on education and Dalton's fuzzy math once again. There's always some substance one should listen to. Even when it's probably not well thought through, you can always listen to they're thinking about. I certainly find some of the things they say interesting, but not very accountable.

**Mr Marchese:** Give some examples.

**Mr O'Toole:** Well, one of the things is that Dalton's new plan has the unfortunate ring of Liberalism to it that it's not funded. I am wondering, Minister, in the brief time remaining—hopefully, there isn't that much left. The Liberal plan doesn't mean they'll deliver. I always think of a promise made, a promise kept. Their promises mean nothing, absolutely nothing. In fact they usually are—I can't use the word "lies."

**The Acting Chair:** Sorry, Mr O'Toole, your time is up.

**Mr Kennedy:** It's interesting that Mr O'Toole has to look at Liberal plans, because there aren't any Conservative ones, as we learned earlier today.

The question and the opportunity earlier, Minister, was to be accountable for you decisions with school boards, particularly with special education. You've allowed money to be cut there and allowed children's futures to be at least somewhat harmed, and you're in a position to do something about that.

Minister, I believe you will know there are special education cuts being recommended for Toronto as well. There are special education teachers—\$4 million—and education assistants—\$1.7 million this year and \$8 million next year—who will be lost to classrooms.

I want to put on the record for you the fact that right now in Toronto schools there is a woman whose son, James, has an EA for 29 days. They are advised they are going to lose that person. This child has Down's Syndrome and has been through a number of assessments, and they have no assurance there is going to be the assistance for this child to succeed. They say, and I kind of feel embarrassed that they have to make this argument, but after hearing Mr O'Toole—don't worry; we're getting around to some people in your area too—I see that he believes everything works, that this is fine. There is no advocacy on the other side for this to work. But Andrea Adams is putting us into the real world. She says her son James is not getting the best attention, just as we learned earlier, Mrs Mookerjee's son Jevon isn't either. Those services have been taken away.

So I want to ask something very specific that hopefully you could provide this committee with. Who in your department is talking with the supervisor in Ottawa who made those cuts, and the one in Toronto who is going to decide on the future of Ms Adams's son? Is there someone present today who could speak to us about their current status and so forth? How are you supervising the supervisor, and who is closest to the

decisions that are being made? Where in the ministry do those supervisors report, and could that person come forward to answer some questions?

**Hon Mrs Witmer:** We would be pleased to have the ministry spokesperson address the issue and the question that has been put to us.

**Ms Herbert:** Our person who works on the special-ed process is meeting with the family right now.

**Mr Kennedy:** My question was actually about the supervisor and the decision to cut special ed that was made in Ottawa. Who is the person who liaises with the supervisor, to whom the supervisor reports? Eventually it's you, Minister, but who in your ministry is the liaison with the supervisors in Ottawa, Toronto and Hamilton? Which level of staff is that coming to, and is that person available?

**Ms Herbert:** The supervisors asked for assistance from the ministry as they began their jobs, so we do have an ADM who can speak to the role, which is a support role for the supervisors.

**The Acting Chair:** Would you mind stating your name for Hansard once again, please?

**Mr Norbert Hartmann:** Norbert Hartmann, assistant deputy minister.

**Mr Kennedy:** Mr Hartmann, in terms of the way your ministry interacts with the supervisor, when did you become aware of the cuts in Ottawa? When did he inform you?

**Mr Hartmann:** If I recollect correctly, on about August 27.

**Mr Kennedy:** And when was that in relation to the public announcement of those cuts?

**Mr Hartmann:** About the time it was made.

**Mr Kennedy:** OK. Does that imply that you don't have a role in looking at the cuts that are made by the supervisor?

**Mr Hartmann:** Our role is an advisory role to answer technical questions, to make sure the requirements of the act are followed, to make sure the supervisor is aware of the kinds of background that needs to be available for his decision-making process. But we do not oversee the actual decisions of the supervisor.

**Mr Kennedy:** So if the government of the day says, for example—if you were here earlier, Mr Hartmann, Mr Eves made an undertaking, two undertakings in fact, one about school closings and another one about special education. Are you saying the ministry is not in a position to see that the supervisors don't exact those kinds of cuts?

**Mr Hartmann:** The supervisor is certainly made aware of what the requirements are, but we don't have any form of veto power.

**Mr Kennedy:** How are the supervisors empowered? Do they have a contract with the ministry? Under legislation, what powers are they utilizing? Are they using the powers of the board? What kind of powers do they have?

**Mr Hartmann:** They are the delegated the powers of the board by the minister.



**Mr Kennedy:** In other words, without any recourse by the ministry in any way, shape or form?

**Mr Hartmann:** There is full delegation of power.

**Mr Kennedy:** Full delegation of power. So what that means—and I won't ask you to interpret this, because I don't want to put you in an unfair position. I'm interpreting myself, and there may be a factual way that this could be proven wrong and I'd appreciate the correction. Basically, if Mr Eves says he will make sure that something like special ed doesn't get cut, he's technically not in a position to make that assurance. Is that correct?

**Mr Hartmann:** You're right. That is an unfair question.

**Mr Kennedy:** OK. In essence, you're telling us that the supervisor is making cuts and only has to listen to what the minister or the Premier want but can make whichever cuts he deems appropriate to make.

**Mr Hartmann:** The minister has delegated her powers and the powers of the board to the supervisor.

**Mr Kennedy:** OK. In the current situation you obviously have some ongoing liaison in this role. Is that correct with the Hamilton and the Toronto supervisors?

**Mr Hartmann:** That's correct, Mr Kennedy.

**Mr Kennedy:** What do you anticipate is the time at which the public and yourself, in this particular role, will learn about the cuts they may be proposing for the children and those boards?

**Mr Hartmann:** It is our hope there would be a plan presented sometime this month for how to bring these boards back to financial health.

**Mr Kennedy:** Do you anticipate that those actions, whatever the recommendations are, will be of the same nature as Ottawa; in other words, you'll learn of them the same day they're made public? Is that roughly what you would anticipate?

**Mr Hartmann:** The requirement is to bring forward a plan.

**Mr Kennedy:** But would the plan be similar in kind to the one done in Ottawa, which included cuts to certain services?

**Mr Hartmann:** At this point, that would be speculation. I'm not sure, Mr Kennedy.

**Mr Kennedy:** OK. But a plan would come forward. You wouldn't have advance input into that plan, you wouldn't give them reaction, because you've delegated the power.

**Mr Hartmann:** I simply provide them advice as to what kind of technical background they will require.

**Mr Kennedy:** Substantially, you're saying that the supervisors, in their delegated power, could take or ignore that advice. They're able to act unilaterally in this regard.

**Mr Hartmann:** As I indicated previously, they have the delegated powers.

1650

**Mr Kennedy:** I guess I'm wondering, is there any other route by which—let's say theoretically that the ministry wanted to have something happen on behalf of Mrs Mookerjea, for example, and she had a supervisor in

place. What would she have to do to be able to restore a program? Let's say that in good faith the supervisor cut a program but it turns out that several hundred kids are being harmed. If the minister wants to see that program restored, is the minister and is your ministry in a position to request that the supervisor restore those programs or not?

**Mr Hartmann:** The supervisor certainly has the discretion to change his mind on any issues that are brought to his attention.

**Mr Kennedy:** But the discretion is all on the supervisor's side; there's no discretion on the minister's side to reassert her powers, which she has delegated, and make decisions like that. Is that correct?

**Mr Hartmann:** The act does provide for the minister to revoke certain powers of supervision.

**Mr Kennedy:** I see. Is that a regulatory thing that would have to happen, or is that discretionary to the minister?

**Mr Hartmann:** The way I understand the act to be written, the minister has delegated powers and the minister can remove delegated powers.

**Mr Kennedy:** In other words, she could specifically say, "I'd like to reassume powers in terms of special education," for example? Could it be that specific?

**Mr Hartmann:** I'd have to check with legal counsel as to whether it could be that specific.

**Mr Kennedy:** Could we get whatever information you can provide to us on that account so we could better understand this interesting mechanism between the ministry—very specifically, because I know you're very busy with this role and so on, I'd like to know the legal basis under which the minister would be able to act or not act in this regard.

**Mr Hartmann:** I can certainly provide you with the provisions of section 3 of the act.

**Mr Kennedy:** I guess there's a concern it raises for me and maybe other members of the committee. I wonder, is the ministry then not in a position to exercise due diligence? In other words, having dismissed a board of a number of people—12 or, I think, 16 and 22, different sizes in the different cities—having decided that they weren't doing their job, now we have one person in their stead doing the work. My concern is, if the ministry is not in a position to know ahead of time what the supervisor has in mind, how is the minister, and indeed the government, in a position to protect students?

I think some people there think of it as kind of abstract—there are trustees or whoever in charge—but they really think the minister is now in charge. Just to make it a fair question for you, what steps can you take, what steps have you been taking, to satisfy yourself that the supervisor is at least roughly on a responsible track and not making decisions that might cause you to recommend to the minister to do something different?

**Mr Hartmann:** I think I indicated that the requirement on the supervisor is to present a plan for restoring financial health. That plan will be—

**Mr Kennedy:** You stipulate that is a plan. Maybe I can explain a little bit. In Ottawa there was a plan and there were cuts, there were decisions made. Nothing has changed. In other words, the supervisor in Ottawa could cut some more programs if he liked. Is that correct?

**Mr Hartmann:** Technically, he could.

**Mr Kennedy:** Could the supervisors in Toronto and Hamilton also? Is there any restriction on them at this time?

**Mr Hartmann:** The restriction is in the terms of reference for those supervisors. Item 3, I believe, of the terms of reference specifically indicates the presentation of a plan.

**Mr Kennedy:** Is it different between the three cities, then? Is Ottawa somewhat different from the other two?

**Mr Hartmann:** No, it is not.

**Mr Kennedy:** OK. So technically, then, I guess the Toronto and the Hamilton people could exercise their discretion, but you would expect them to have a plan, as you would expect eventually from Ottawa as well.

**Mr Hartmann:** That's correct.

**Mr Kennedy:** But so far you don't have a plan from any of the cities? Or do you have a plan from Ottawa currently?

**Mr Hartmann:** No, we do not have a plan.

**Mr Kennedy:** OK. So you had some cuts made in Ottawa without a plan—

**Mr Hartmann:** Not the overall plan.

**Mr Kennedy:** Not the overall plan, but some immediate cuts were made. Do you anticipate—I'm asking for your knowledge, and if it's confidential you can tell me it's confidential—that there will be cuts of a similar kind made in Toronto and Hamilton, based on what you know currently?

**Mr Hartmann:** At this point, I could only speculate.

**Mr Kennedy:** You can only speculate. In other words, you don't have positive knowledge one way or the other. OK.

In terms of the plan that's being presented, will that plan be made public? Is that a plan that can be shared with this committee? Even though I think we'll be finished with estimates at that time, do you have an expected date for that plan?

**Mr Hartmann:** The first portion of the mandate of the supervisor is to consult with the parents, the trustees and the general public, and then present that plan.

**Mr Kennedy:** So the same plan you would see is the plan they would see in those communities. Is that correct? Or would there be a different document that you would get, more detailed or less detailed?

**Mr Hartmann:** At this point, that hasn't been finally determined.

**Mr Kennedy:** I guess what I'm wondering here is that it's a bit curious that in essence there is no direct means that you can do more than advise. You're not in a position of positive knowledge about the actions of the supervisor.

**Mr Hartmann:** If I left that impression, I left the wrong impression.

**Mr Kennedy:** Please correct that.

**Mr Hartmann:** We're certainly being advised as to what they're going to be doing through that planning process.

**Mr Kennedy:** Can you tell me a little bit more about that? Do you speak to the supervisors directly daily? Is that the kind of supervision, or rather advising, that goes on from them to you? What kind of terms of reference do they have in that operational sense?

**Mr Hartmann:** The request from them has been to be provided with advice from the ministry as to what would govern the actions they would take.

**Mr Kennedy:** Are they asking for an opinion about the advisability of certain action, or just the legal basis under which they may or may not take actions?

**Mr Hartmann:** They are asking for the technical requirements of the actions they are proposing to take.

**Mr Kennedy:** But just to be clear, because I did ask you before and I hope I elicited the answer you wanted to give me, which is, they aren't coming to you for approval. They are not saying, "Mr Hartmann, does the minister and the ministry agree these things should be cut"? That's not happening.

**Mr Hartmann:** No, they are not asking me for approval.

**Mr Kennedy:** So in essence, then, the supervisors are on their own, determining whatever they would like to do, and the minister would have to take positive action to change that outcome.

**Mr Hartmann:** They have delegated authority. That's right.

**Mr Kennedy:** Thank you for that. I wonder if I could ask you about the special-ed cuts that did take place. They weren't part of a plan, but they were within the powers of the minister. After the fact, now that that decision has been made, do you sit down with some of your other ministry staff and evaluate what they have done? Do you do some looking at it and say, "This is what happened in Ottawa. This is what they did"? Do you evaluate that and then give them some feedback, or do you just let it stand as the decision is made?

**Mr Hartmann:** We certainly provide an overview and understanding of the actions that have been taken for the ministry, so that they're aware of what's happened.

**Mr Kennedy:** Would that include an opinion? Would you say back to them, "We approve of this. We didn't like that. Could you explain more about this"? How would you characterize it?

**Mr Hartmann:** Certainly the latter.

**Mr Kennedy:** The latter being—

**Mr Hartmann:** "Explain more about this."

**Mr Kennedy:** Yes. So if I am getting this correctly, at no point does the supervisor know whether the government approves or doesn't approve of certain things he's doing, at this point.

**Mr Hartmann:** Not from me, Mr Kennedy.

**Mr Kennedy:** Right. But on your behalf, liaising—does that preclude that the minister may express those opinions directly to the supervisor then?



**Mr Hartmann:** That would be a fair question for the minister.

**Mr Kennedy:** OK. Minister, have you been in contact with the supervisors in each of the three cities?

**Hon Mrs Witmer:** I did. I spoke to them yesterday to see the progress they were making and to see if they were going to be able to achieve the target of the end of October in presenting us with a plan as to how they were going to be implementing a balanced budget. All of them indicated that they had been meeting with staff, trustees, parents, and parent councils, and the work was well underway. They were confident that they could be in a position to present us with a plan that would allow for the schools to continue to operate within a stable environment and also to balance the budget.

**Mr Kennedy:** Minister, you heard earlier Mrs Mookerjea's problem, and some of your staff are verifying the documentation and so on. In essence, someone was offered a program and the program was then taken away and the child is, in 30 days, without any assistance. If you wanted to do something about that, according to what we have heard described, you are not in a position, unless you take back delegated powers, to change that. Have you given any direction personally to the supervisors about what to cut and what not to cut or what to improve and what not to improve? Has any direction come from you to those supervisors?

**Hon Mrs Witmer:** Mr Kennedy, I have delegated the power to the supervisor. I look forward, at the end of this month, to receiving the plan. The terms of reference are that the supervisors would prepare a plan to return the boards to a balanced financial position. They have been asked to seek the advice—it says this right up front in the terms of reference—of the board of trustees, the staff, the parents, in any matter the supervisor deems appropriate, including the establishment of board committees.

**Mr Kennedy:** Yes, but the implication of that seems to be that in the case of Ottawa and Mrs Mookerjea's son, they made those cuts. They didn't necessarily seek advice. In other words, your liaison got the information the same day the public did. What's to prevent that happening again and again?

I just want to be clear in my question. You've asked for a plan. If the supervisor who wants to speak to you, they can. But you've made public statements—I guess this is where I would really like you to help us out. You and the Premier have made public statements that there will not be harm to children, there will not be cancellation of special education programs, there will not be school closures. Are you in a position to stand behind those statements, or is it really just up to the supervisor?

1700

**Hon Mrs Witmer:** We are going to look forward to receiving the plans from the supervisors at the end of the month. I can tell you that in Ottawa the supervisor actually did a couple of things. He lifted the hiring freeze on teachers. I understand that 140 teachers were hired and placed in the classroom. I think that is good news. I think the actions that were taken there were obviously

based on the advice of staff. The special education teachers were redeployed in the classroom to benefit the students across the board.

**Mr Kennedy:** But the positions were eliminated, Madam Minister, and Mrs Mookerjea's son lost out, as did—well, hundreds of other kids have lost programs they were promised.

I guess I am just wondering, are you in a position to assure us that there won't be special-ed cuts here in Toronto or in Hamilton, or school closings? Could you answer that question? Are you in a position to ensure that there aren't further special-ed cuts in Ottawa and new, similar cuts in the other two cities?

**Hon Mrs Witmer:** I'm not going to speak to the plans or what may be contained in the plans, other than that I am confident the supervisors will consult with the parents and with the staff and with the trustees in order to ensure that we can deliver the best programming services to the students in the respective boards of education.

**Mr Kennedy:** Minister, it doesn't seem that you can assure that—maybe Mr Hartmann can tell me. Can you table for this committee a status report of the boards? The minister mentioned how there had been a hiring freeze while all this toing and froing had been going on. I understand there were some 300 teachers who were needed, and obviously some of the positions were eliminated; that's why the programs disappeared. But in the other boards, are there similar problems? Are we behind the eight ball here? Are there positions unfilled in the Toronto or Hamilton boards? Are there questions about services being offered? If so, are you aware of those services? Is there a report on the status of those boards that your ministry has?

**Mr Hartmann:** We don't have a formal report at this point. What is going on at this point in those boards is that the supervisors are doing the consultations with the parents, the teachers and the administrators, and have not yet presented reports on those issues.

**Mr Kennedy:** But are you personally aware—

**The Acting Speaker:** Thank you, Mr Kennedy. Mr Marchese?

**Mr Marchese:** I was listening to John O'Toole earlier talking about how excited he is about all these equity programs, how finally you brought equity to the educational system. He is so excited about that. He talked about how the NDP—

**Hon Mrs Witmer:** Well, if you don't live in Toronto—

**Mr Marchese:** You're excited. I hear you.

**Hon Mrs Witmer:** —you're excited. And if you're a member of the French boards, public and Catholic and French Catholic, and if you are living in a remote board, it does mean that everybody does have equal access to services—

**Mr Marchese:** I was going to get to that.

**Hon Mrs Witmer:** —because Toronto and Ottawa did have a rich assessment base.

**Mr Marchese:** But he talked about the NDP having deficits, and what could they do with such deficits?



Obviously, everybody was starving. What he doesn't know is that we, in 1991-92, increased education funding beyond most levels, which included Liberal and Conservative funding levels. We increased funding to our post-secondary institutions and elementary and secondary institutions by almost 9.5%, 10%. We never get credit for that—not from the teachers, not from trustees, not from the parents, not from you, not from John.

**Hon Mrs Witmer:** I'll give you credit today, Mr Marchese.

**Mr Marchese:** You see, we need a pat on the back, right? We did this in a recessionary period because we felt that education had been so underfunded for so many years that we had to do that. Looking back, it was a serious problem, because we were helping at a time when we had diminishing returns. But we did get whacked for that. We didn't get praised; we got blamed.

The problem that you experienced, different from what the NDP experienced, is that you faced surplus years: no recession, good economy, lots of money coming in, welfare diminished, reduced to fewer numbers because people were working. Then you slashed benefits even more in a good economy where rents were going up and inflation was still steady and these people weren't doing so well. But people are working; you have less costs in welfare. You have surplus dollars coming in. You have a good economy where most people would wonder, if you have such a great economy, why most people are languishing, complaining, feeling somehow the cuts you've made in health, education, social services, environment, natural resources. All these cuts have been sustained in a good economy. This is what's troubling to me. You bring about so-called equity for all in a good economy, where now what we're experiencing is everybody feeling equally hurt, equally feeling the pinch.

We have some Catholic boards, who were doing better than before, saying, "We're hurting." They're not saying, "God bless you, Elizabeth." They're saying, "We're all in trouble." In concert with public boards, they're saying, "We are all in trouble in a good economy." So I wonder what is happening.

I wanted to ask you: when People for Education and the Elementary Teachers' Federation do their studies and show cuts in a whole variety of fields, such as cuts to librarians—would you agree or disagree that there have been losses in the educational system of librarians and time for library services, in our high schools mostly? Do you think that's true or not?

**Hon Mrs Witmer:** I'll just respond by saying up front—because there were a couple of statements that were made that were factually incorrect. For example, there have been no cuts to health care. Since our government was elected in 1995, we have increased the health care spending from about \$17.6 billion to \$25 billion. I think that's important, because it's been done at a time when we haven't been seeing the additional support from the federal government that, as you know, the Premiers across all of Canada are asking for.

I would also just mention to you that as a result of the policies that were introduced by our government, we have seen a job growth of about 954,000. More people than ever before have access to jobs. It's these jobs that are going to allow us to continue to fund our health, educational and environmental needs.

As far as the Catholic boards are concerned, I'll just read from their press release: "Catholic Trustees Tell Education Task Force Funding Model Brings Equity to Ontario Students." A quote from Louise Ervin, the president of the association: "This model is a significant improvement for all students who attend school within assessment-poor boards. These include Catholic, French and rural ... boards as well." Having said that, I think it's also fair to add that she also states that more money is needed to cover the current costs.

We have set up the Rozanski task force to respond to her concerns, the concerns of these boards and the concerns of others. We've acknowledged the concern, and we're doing something about it.

**Mr Marchese:** Have there been cuts to librarians?

**Hon Mrs Witmer:** Pardon?

**Mr Marchese:** Have we seen cuts to teacher-librarians?

**Hon Mrs Witmer:** You and I both know that staffing decisions are made at the local level by local school boards.

**Mr Marchese:** Right. And have there been cuts?

**Hon Mrs Witmer:** Again, you'd have to undertake a review. I'm not so sure that the methodology that had been presented by a couple of the groups is accurate. In fact, we've had difficulty trying to reconcile their numbers with some of the information that we have. We always need to be very careful and cautious as to the methodology that may or may not have been used.

**Mr Marchese:** OK. I'll get back to that. So you don't admit there have been cuts, but you do admit boards make that decision.

**Hon Mrs Witmer:** Actually, I've just been given the information. Funding for librarians and guidance counsellors is going to go up from \$294 million in 1997 to approximately \$315 million for the 2002 school year.

1710

**Mr Marchese:** Is going to go up or went up?

**Hon Mrs Witmer:** Is going up.

**Mr Marchese:** Is going up. OK.

**Hon Mrs Witmer:** I would hope it's flowing right now.

**Mr Marchese:** That's great. What about music teachers, gym teachers and tech teachers: up or down?

**Hon Mrs Witmer:** I can't speak to that, but I can speak to the note that says funding for professionals and paraprofessionals—this is an area where you and I would agree there's a need—for social workers, child youth workers, is going to increase from \$235.4 million in 1997 to approximately \$300 million this year.

**Mr Marchese:** It's going up this very year?

**Hon Mrs Witmer:** It's going to be going up to \$300 million.

**Mr Marchese:** Were there cuts to this area before?

**Hon Mrs Witmer:** No.

**Mr Marchese:** Social workers didn't disappear in the Toronto board of education.

**Hon Mrs Witmer:** No. Again I would just hearken back to what I said at the outset of our conversation.

**Mr Marchese:** It's a decision of boards.

**Hon Mrs Witmer:** Local boards make decisions as to how they can best spend their resources.

**Mr Marchese:** Have there been cuts to education assistants at all in the boards?

**Hon Mrs Witmer:** Again I believe that's a decision that is made by local boards, but you might be interested in this quote, because you quoted People for Education.

**Mr Marchese:** Secretaries? I'll come back to it.

**Hon Mrs Witmer:** Kidder said, "The good thing this government did do ... was to say that what's available in one place should be available everywhere, that it was very important that funding be fair across the province and that there be curriculum that was fairly standardized."

**Mr Marchese:** Sure.

**Hon Mrs Witmer:** Do you know what? That's good news.

**Mr Marchese:** That's good news, yes. What about cuts to secretaries? Any cuts?

**Hon Mrs Witmer:** Again those decisions are made by local boards. I don't have the data.

**Mr Marchese:** And vice-principals?

**Hon Mrs Witmer:** I don't have those data.

**Mr Marchese:** Principals?

**Hon Mrs Witmer:** The deputy's telling me that we increased the funding for principals two years ago by \$10 million.

**Mr Marchese:** That's amazing. ESL?

**Hon Mrs Witmer:** It was increased. I know I have just—

**Mr Marchese:** Increased? Just amazing.

**Hon Mrs Witmer:** We can have somebody come up, Mr Marchese.

**Mr Marchese:** No, I've only got a couple of minutes. All these brilliant people—

**Hon Mrs Witmer:** OK.

**Mr Marchese:** I just want to know generally. There have been increases to ESL.

**Hon Mrs Witmer:** There have been increases in funding.

**Mr Marchese:** Isn't that amazing.

**Hon Mrs Witmer:** If you think you didn't get credit, we're not getting credit either. I'm glad to put them on the record here.

**Mr Marchese:** It's great. I want to say to the public that might be watching, because there are a few people watching, that there must be something terribly wrong going on. There are all these studies. The Elementary Teachers' Federation of Ontario, People for Education, do these surveys and show these great reductions. Clearly they're wrong, because in most cases—

**Hon Mrs Witmer:** I said we have not been able to reconcile some of the methodology. We don't know where or how they get their figures. That's not saying all the numbers are a question mark, but some of them definitely are.

**Mr Marchese:** Could I ask, you do have a methodology that you like? Is there one?

**Hon Mrs Witmer:** No, not that we like.

**Mr Marchese:** You're only questioning somebody else's methodology?

**Hon Mrs Witmer:** It's difficult to reconcile the numbers with some of the information we have. I've got the ESL.

**Mr Marchese:** Oh, yes.

**Hon Mrs Witmer:** Funding for ESL in 2002-03 is projected to rise to \$168.5 million, an increase of \$57 million or over 50% compared to 1998-99, so that's very good news.

**Mr Marchese:** It's great news to hear. I wanted to ask you, are you keen on perhaps having a method, methodology, survey, that you like, that the deputy likes, that you think, that she thinks, is correct in order to properly assess what these people are saying, because somebody's wrong here.

**Hon Mrs Witmer:** I think we need to make sure that whatever methodology is used is transparent.

**Mr Marchese:** Quite right. Do you have one?

**Hon Mrs Witmer:** We certainly do have one. I mean that the information we give is transparent.

**Mr Marchese:** Do you have a survey that you do like, that you think is great?

**Hon Mrs Witmer:** I think, whatever we do, we need to continue to be accountable to the public and it needs to be transparent.

**Mr Marchese:** I agree with that. I agree with transparency a great deal. Can you share the figures that you get with me, whatever methodology you're using, whatever survey you're using, so that we could just compare?

**Hon Mrs Witmer:** The deputy tells me it's all on the Web.

**Mr Marchese:** What's the address?

**Hon Mrs Witmer:** We can also specifically get them ready for you.

**Mr Marchese:** That would be so good. Because all of these people out there—

**Hon Mrs Witmer:** We'll do that, because I want us to get credit. I'm now giving you credit for your—

**Mr Marchese:** Exactly, because I find it so strange that everybody is out there screaming—parents are screaming, teachers are screaming. It's like something's wrong.

**Hon Mrs Witmer:** The thing is, though, we sometimes overlook the fact that we're responding every day to the needs of more than two million students. Our teachers are doing an outstanding job.

**Mr Marchese:** God bless them.

**Hon Mrs Witmer:** We have very supportive parents and we need to start celebrating our successes, Mr Marchese.



**Mr Marchese:** I agree with that.

**Hon Mrs Witmer:** I'll tell you, there are thousands everyday.

**Mr Marchese:** I agree with that too. No disagreement with that.

**Hon Mrs Witmer:** I think we also need to take a look at helping to restore the morale of our teachers—

**Mr Marchese:** I agree with that too.

**Hon Mrs Witmer:** —and celebrate their hard work and their dedication.

**Mr Marchese:** Let me ask you a few more questions. I want you to share that great information with me, because I want to give it to parents.

**Hon Mrs Witmer:** I'm going to.

**Mr Marchese:** I want them to understand how good you are.

**Hon Mrs Witmer:** Let's just talk about the fact that based on the input of the public, this is what's happening in education.

**Mr Marchese:** Exactly. I want to give you credit.

**Hon Mrs Witmer:** They need to take credit for it.

**Mr Marchese:** I want that information so I can give it to the parents and say, "Look, we've been fooled all along. Somehow we're inventing all these things, these problems. They're not really problems. My God, the ministry and John O'Toole are fighting out there to give you equity and quality. Why are you whining and complaining? Something is wrong. Here are the facts." So I'm glad that it's coming to me.

**Hon Mrs Witmer:** Do you know what? The majority of parents are quite satisfied. Again, I would just encourage us to focus on the positive.

**Mr Marchese:** I agree. I want to be positive. I'm tired of being negative.

**Hon Mrs Witmer:** There are more things to be done and we can do a better job always, but let's not forget our successes.

**Mr Marchese:** I agree. I get so drained having to be so negative. It just exhausts me. It's a real problem. I'm going to try to change.

It was interesting to hear Norbert Hartmann say, "restoring financial health."

**Hon Mrs Witmer:** Balancing the budget.

**Mr Marchese:** I like that. It's interesting. I'm not sure how he meant that, but what I get from that is, restoring financial health equals balanced budgets. Right?

**Hon Mrs Witmer:** There's been a law on the books since 1933 which speaks to that, Mr Marchese.

**Mr Marchese:** Oh, I know. But it's interesting that restoring financial health is synonymous with balanced budgets, even though it will mean all those cuts that your Rosen person and others have recommended, which I think will affect programs.

**Hon Mrs Witmer:** But we don't know what may or may not happen.

**Mr Marchese:** I can guarantee it.

**Hon Mrs Witmer:** We don't know.

**Mr Marchese:** But I can guarantee it.

**Hon Mrs Witmer:** But we don't know.

**Mr Marchese:** Those cuts have to be made in order to balance the budgets.

**Hon Mrs Witmer:** Let's not talk about it then, because—

**Mr Marchese:** I'm negative. You're right.

**Hon Mrs Witmer:** No, I'm just going to remind you that the supervisor in Ottawa actually lifted the hiring freeze and made sure that at least 140 new teachers were hired.

**Mr Marchese:** Is he nuts, or what? We have a deficit out there. What's he doing? He should be cutting.

**Hon Mrs Witmer:** Responding to staff and community.

**Mr Marchese:** Well how's he going to balance the budget? I don't get it. He's restoring—

**Hon Mrs Witmer:** So let's talk about the good things.

**Mr Marchese:** No, I'm concerned about restoring financial health, Norbert. I'm concerned about those balanced budgets. I'm worried. You better look into that, because if he's hiring again, I don't know, or lifting that freeze, I don't know what he's going to cut.

I have a couple of questions about salaries and benefits. What I'm aware of, having done a little tour of Ontario, is a lot of boards are saying, "We're short of money for salaries. It's going to be serious this time around."

**Hon Mrs Witmer:** Yes, I've heard that too, Mr Marchese.

**Mr Marchese:** Catholic boards and public.

**Hon Mrs Witmer:** French and English.

**Mr Marchese:** Everywhere. They're saying, "We won't be able to negotiate very well or fairly with our employees, because we don't have the money." They put the blame on you. OPSBA puts it at \$590 million or so; we talked about this briefly last week. That's a lot of money. Others estimate it's probably close to a billion bucks.

A number of people who went and made their submissions to Rozanski said this, and according to public boards, 60% of their shortfall is due to your government's ridiculously low benchmark for salaries and benefits. How are you thinking of fixing this problem in the next little while?

**Hon Mrs Witmer:** First of all, I would concur. We have heard this issue. It's been brought to our attention. I guess the issue is probably larger than what you speak to; that is, we're also hearing from parents and students who are concerned about the collective bargaining process and the impact that might have on our school year. So you've got a lot of people expressing concerns.

As you know, Mr Marchese, about 80% of the educational funding does go for salaries of staff in one way or another. I think both the Premier and I have acknowledged the issue, and we're looking forward to the Rozanski report.

1720

**Mr Marchese:** It's good that you're acknowledging that we have a problem, because soon we're going to have labour strife.



**Hon Mrs Witmer:** I think this year in particular, with the double cohort, it is incumbent upon all of us, whether we're government, parents, opposition parties or the bargaining units—

**Mr Marchese:** To try to fix it.

**Hon Mrs Witmer:** —to try to reach a resolution.

**Mr Marchese:** I agree.

**Hon Mrs Witmer:** The last thing the double cohort students need is to lose time from class.

**Mr Marchese:** Elizabeth, can I ask you—

**The Vice-Chair:** Two minutes.

**Mr Marchese:** How many? Two?

**Hon Mrs Witmer:** So you're going to supply me—

**Mr Marchese:** Elizabeth, don't take all my time.

You're acknowledging that we have a shortfall here, but if we've had a great economy and you've been so equitable with everybody, where is this money going? How come they've been so short all this time? The boards are short of money.

**Hon Mrs Witmer:** For the salary negotiations?

**Mr Marchese:** For salaries, yes. Where did it go?

**Hon Mrs Witmer:** Again, let's be perfectly honest. The benchmarks haven't changed, so we need to look at the benchmarks, and Dr Rozanski is taking a look at those benchmarks.

**Mr Marchese:** It's good that you're acknowledging that.

I want to talk briefly about the double cohort, because I might not get another chance. Alan King has done some studies for you.

**Hon Mrs Witmer:** Yes, he has.

**Mr Marchese:** You commissioned them, yes?

**Hon Mrs Witmer:** I understand my predecessor did.

**Mr Marchese:** The deputy says yes. I think they found that 80% of the students had the intention to go to university. I believe that's what that study shows. I'm not sure if the Minister of Training, Colleges and Universities has the information that you've had access to. Are you aware that she told the public that your government is ready for the double cohort based on a 60% figure as compared with the 80% figure your ministry has obtained?

**Hon Mrs Witmer:** I'm going to ask staff to come up here. We do have an answer, Mr Marchese.

**Mr Marchese:** God bless. I know you have the answers. Sometimes you keep them to yourself; sometimes you share them.

**Hon Mrs Witmer:** I'm happy to respond to you any time.

**Mr Grant Clarke:** My name is Grant Clarke. I am the director of the secondary school policy and programs branch.

**Mr Marchese:** We understand from that study that 80% of the students have the intention to go on to post-secondary education, but the Minister of Training, Colleges and Universities is using a figure of 60%.

**The Vice-Chair:** Quick question, quick answer.

**Mr Marchese:** How do we explain that discrepancy? Don't you share this stuff with the other minister? You've got a problem here, no?

**Mr Clarke:** If I might, I believe what you're referring to is the story in the National Post about the 80% of students who—

**Mr Marchese:** Based on the Alan King study, right.

**The Vice-Chair:** In about 10 seconds.

**Mr Marchese:** Give him a chance.

**Mr Clarke:** In fact the summary of information on the study which was conducted last year shows that only 73% of the pupils who are taking courses to prepare for university plan to go to university. We do know that students' plans change as they move from the junior grades to the senior grades, so in subsequent studies we will be looking to see how those plans change. This will be information that is shared and in fact has been shared with the Ministry of Training, Colleges and Universities.

**Mr Ted Chudleigh (Halton):** Minister, I hope you're enjoying Tuesday afternoon as much as I am. It's a wonderful way—

**Hon Mrs Witmer:** I'm having a great time.

**Mr Marchese:** I'm so glad you're enjoying yourselves.

**Hon Mrs Witmer:** It's always good to listen to Mr Marchese.

**Mr Chudleigh:** It's a wonderful way to get our message out and tell people how positive things are in the schools. There's so much negativity around. I know the former questioner is not a negative person by nature, and I'm sure he was enjoying the positive aspects that are happening in education today.

I'd like to ask you a couple of questions and talk to you about student-focused funding. I have a number of rural schools in my riding: Pineview, Stewarttown, Percy Merry, Brookville, to name a few. As schools depopulate, they quite often have a problem balancing their budgets, because other costs stay the same when students depopulate. I guess my concern is that if there's enough depopulation in these areas, these schools are threatened with closure. There's a certain aspect to rural education that you don't get in a city or a town school, and I would very much like to see these schools stay open in the future. I wonder if you could talk about what kinds of flexibility student-focused funding might have in our educational system.

**Hon Mrs Witmer:** I think it is important to address this issue. We probably should acknowledge right up front that the ministry's own projections concerning enrolment show that we are going to continue to see a decline over the next few years. As you've said, Mr Chudleigh, there is concern on the part of people like yourself, parents, students and school boards, because when the enrolment declines, revenue decreases, and the costs to educate the students don't necessarily change.

So this past year, in recognition of and in response to the concerns we heard, we have actually introduced a totally new allocation to help boards that have less revenue because of declining enrolment—we're seeing it

in the north and in the rural parts of the province. We're moving forward in a way that the costs of boards do not decline in a way that matches their declining enrolment. We know that some of the costs can be easily adjusted. But some of the fixed costs, such as heating and lighting, are not going to change just because you've got fewer students in a classroom.

We set up a working group to look at this whole issue of declining enrolment. It was set up in the fall of 2001. We wanted to make sure we could deal with that gap between revenue loss based on per pupil funding and a board's ability to reduce its costs, some of which I've just indicated are fixed—heating and lighting. The working group we set up recommended a declining enrolment adjustment that would give boards two years to reduce their costs in keeping with reduced enrolment.

Remote and rural boards with declining enrolment, however, also benefit from what we call top-up funding, which allows boards to continue to operate schools that are not at 100% capacity. The top-up is as much as 20%. I can tell you that this is a real boon to the rural and northern schools that are particularly impacted by the declining enrolment issue.

Peter Gooch has additional information. He's done a lot of work on this, and I know he'd like to give us some further detail on how the funding works.

**Mr Chudleigh:** This deals with individual schools within the boards, or not necessarily? The Halton board has a huge array of schools, everything from highly populated Burlington-Oakville to rural Massagaway—a if you can spell it, you get an A.

**Mr Peter Gooch:** I can't spell it.

**Hon Mrs Witmer:** Mr Gooch can give us some further detail.

**Mr Gooch:** I'm Peter Gooch, director, education finance branch. The funding has a number of mechanisms in it to deal with the issues you've raised. As the minister said, this year we introduced a new allocation to the model, called a declining enrolment adjustment. We sat down with mostly business officials in boards from around the province and looked for a solution that was based on a good analysis of the problem. We worked very closely with school board officials, who of course understand the impacts of declining enrolment on their operations.

The first thing we did was look at all the different allocations in the model and determined what kinds of costs the boards have that could be adjusted readily when students decline. Perhaps the simplest example is the cost of teachers. Boards have a lot of flexibility. They have a maximum average class size that they have to achieve, but they can have different class sizes as long as they meet that overall average in the board. School boards and principals are very experienced at aligning classes to bring the number of teachers they receive funding for very close to the number of teachers they need to meet our standards. The funding is designed to let them do that. Teacher costs are a huge part of what every school board has to pay, and because teacher costs can be

matched pretty closely even when enrolment is declining, that's not a big cost item for boards.

The committee looked at every allocation. As the minister said, we looked at school operations. Of course, you need to continue to heat, light and clean a school. If a school loses 10 students, it still needs a principal or someone to provide the principal's functions.

**1730**

Again, based on all that research, we came up with a formula that we believe reflects very closely how quickly school boards can adjust their costs, through a formula very transparently laid out in our technical papers. We can go there and see all the calculations that are provided. I'm proud to tell you that the formula the government eventually approved was in fact the formula the working group recommended. So we were very pleased to be able to work closely and collaboratively with the boards and come up with an implementable approach.

The formula is there. As the minister said, it provides boards with additional revenue over a two-year stream. In this current year it'll be calculated in the way that's laid out there, but next year, in the 2003-04 school year, they'll get half of what they got this year, plus whatever the formula brings in next year as well. The intent of this is to give boards an ongoing source of revenue to give them more flexibility so they have time to adjust their costs to the declining enrolment.

The last thing I'd mention is that every year, of course, we announce the funding. One of the things that achieved a very high degree of approval from school board officials, trustees and people we spoke with around the province was this adjustment, because it does in fact respond to the costs they have in a way that they recognized would help them meet those costs.

**Mr Chudleigh:** There's also an aspect in school funding that's called local priorities, which is, I think, a budget item that allows a school board some flexibility in how they spend some money. I wonder if you could indicate what percentage of a school board's budget this might be and what areas they could allocate these local priorities into.

**Hon Mrs Witmer:** I'm going to ask Mr Gooch, since he's here and he's done such extensive work on the funding formula, to respond to that, Mr Chudleigh.

**Mr Gooch:** The local priorities amount is developed on a per pupil basis. It's a per pupil amount on what's called average daily enrolment, which is really a measure of full-time students. The percentage that each board would get would vary because, as you've heard in many instances, student-focused funding provides not just a foundation grant, of which the local priorities grant is a part, but boards also receive special-purpose grants for their various circumstances. So some boards receive more special-purpose grants than others. So there's not going to be a uniform percentage in each board, but it could be perhaps 3% to 4% of their operating funding, depending on the board.

As the name implies, the grant is there to give boards flexibility to deal with the many choices that they're



faced with. When it was introduced, it was explicitly indicated that boards had indicated they had both cost pressures and also wanted to make programming decisions about things like library, guidance, textbooks and so forth. So boards have flexibility about where they spend it.

**Mr Chudleigh:** Staying with the funding formula, I've got a couple of schools in my riding which are empty and have been empty for some time. This negatively affects the board's ability to fund education in other areas, as I understand the funding formula. How can it be that the school board, although there are active buyers for both of these schools, can continue to carry this inventory of classrooms with no one using them, both of these schools being empty for some years?

**Hon Mrs Witmer:** I'm going to ask Drew Nameth to respond to that question, since he deals with facilities.

**Mr Chudleigh:** Drew has been extremely helpful to me in the past. He's an excellent employee of the ministry, I might add. I say that in the presence of the deputy, Drew.

**Mr Drew Nameth:** And of Hansard too. Thank you. Again, my name is Drew Nameth. I'm director of the business services branch in the ministry. Decisions regarding the disposition of surplus school property are the responsibility of the local board. A board may choose to retain a property for any number of reasons. I'm not familiar with the schools in your riding.

**Mr Chudleigh:** Speyside. Does it ring a bell?

**Mr Nameth:** I honestly can't recall, I'm sorry. Decisions regarding disposition are the responsibility of the board. There are incentives within the funding model for them to dispose of surplus properties. The capacity of that particular school would be removed from the inventory that's used to determine grants for new pupil places, so the disposition of that school makes it available to another school board that perhaps could use it in that part of your riding. It would generate dollars for the board to construct school facilities where there are enrolment pressures in the jurisdiction.

**Mr Chudleigh:** It's hard to understand why the board hasn't done that.

**Mr Nameth:** I honestly can't speak for the board.

**Mr Chudleigh:** There have also been a number of reports in the media over the last month or so, as children go back to school, that schools have been dirty; they haven't been clean. Of course, we know that children perhaps aren't the most careful people in the world to come into a place and wipe their feet, but cleanliness goes beyond a little mud at the front door. I haven't noticed that in the two high schools I've visited. I visited one public school last May—nothing in June—and two in September, but I haven't noticed them being unclean. Is this a local issue? With all the various spending reports you've talked about—local priorities, flexible student-focused funding—where does the priority come from to keep a school clean, or dirty?

**Mr Nameth:** Again, the maintenance of school properties is a local decision. We are also quite concerned and

interested in the cleanliness of individual schools. That's one of the reasons why, in 2000, as part of the accountability framework for pupil accommodation, a school facilities survey was developed whereby information is collected on the perceptions of various groups within the school as to the cleanliness of the property, the general condition, the comfort, air quality issues, temperature, noise, access issues and security etc, information we've compiled on a school-by-school bases. We're looking for five groups within each school to complete the same questionnaire: one to be completed by the principal of the school, another to reflect the views of the teaching staff, a questionnaire to reflect the views of the non-teaching staff, another to reflect the views of students and a final questionnaire to reflect the views of the parents. That survey was conducted in 2000 and 2001 and is underway again in 2002.

In the first two years of the survey we received over 19,000 responses, which is a response rate of approximately 80%, which we think is quite good. The results of those surveys indicated that approximately two thirds of the schools in the province were rated as either good or excellent across the board. Ninety-eight per cent of the schools scored satisfactory or better. So in general, I think it's fair to say that people are satisfied with the cleanliness and general condition of the schools.

**Mr Chudleigh:** Good. Moving to new schools, I've got some very rapid growth taking place in Milton, Georgetown, Georgetown south and one area in Burlington. There seems to be a difference between the way the Catholic board responds to the demand for new schools in an area compared to how the public board responds to the need. There seems to be a lag time of at least a year, sometimes a year and a half, when the public board has to bus students somewhere else before they build a school.

Do the accommodation grants that are available take into consideration the prospect of a number of new homes—perhaps over 1,000 new homes—coming into existence in September, with a percentage of those homes accommodating people who are potentially students? Does it take into consideration those kinds of events?

1740

**Mr Nameth:** The grants for new pupil places, as they are referred to, are determined generally by subtracting the capacity of the board's schools, as they existed in 1998 when the funding model was introduced, from the board's enrolment. If there is a positive gap between enrolment and capacity, the board would be eligible for grants. As enrolment goes up in response to new development, the grants will automatically increase. The boards are certainly aware of enrolment trends within their jurisdiction and the regulations governing the calculations of these grants, and therefore are in a position to respond much, much more rapidly to demographic changes in their jurisdiction than they had been under the previous funding model.

**Mr Chudleigh:** That would take into account the fact that 1,000 new homes are going into an area? They



respond to the existing enrolment, you mentioned, but if that existing enrolment is going to increase with 1,000 new homes in an area—

**Mr Nameth:** The grant will automatically go up as the—

**Mr Chudleigh:** As the building permits are issued?

**Mr Nameth:** Well, as those buildings are built, families move into them and students are enrolled in the schools of the board. Boards are certainly aware of that. They have the ability to plan and respond very quickly to those enrolment pressures and build what we've been referring to as just-in-time schools. They can respond very, very quickly. I think you mentioned that the Halton Catholic board seems to be responding very quickly to those enrolment pressures.

**Mr Chudleigh:** They do. They react extremely well, and I literally get no calls regarding that board and its operation. But the public board doesn't seem to have that same projection ability or ability to respond as quickly. It doesn't deal with the—I guess what you're telling me is it isn't the fault of the accommodation grant or—

**Mr Nameth:** I don't believe it is. One of the things that our accountability framework requires boards to do is develop a long-term plan where they look at current enrolments and projected enrolments in comparison with their existing schools to identify areas with enrolment pressures and develop strategies to respond to those. So all boards operate under the same rules, and how each board responds is up to it; they make their own decisions.

**Mr Chudleigh:** Thank you very much. I really appreciate it.

**Mr Kennedy:** Minister, I'd like to just let you know that Ms Mookerjea met with some of your staff and left wondering what the purpose of the meeting had been in the sense that staff was not able to give her any new direction about the status of her son. There was a response that said, "They promised to answer the phone but they can't guarantee that the phone will be answered at the school board." I guess I'm just wondering—and I know you do not have the advantage of speaking to your staff—if Ms Mookerjea could depend on you directly for some follow-up response, because there are a lot of families and a lot of children who are in the same position.

I guess my question to you is, does Ms Mookerjea represent to you an issue, a problem, real people that you would look into? We heard earlier you're constrained in this regard, but I guess I'd like to ask you on her behalf—and also, by the way, there was a picture she'd like to have back and I'm wondering if your staff could supply that to her; the one that she wanted to share with you in the House—she came here believing she was representing a number of children who have fallen through the cracks, who have lost services. There is no resolution of her situation, but I guess, as importantly, she wants to know if you will be looking into the general situation further or do you just see her as an isolated case, and has she not succeeded in getting your attention to the larger issue?

**Hon Mrs Witmer:** Mr Chair, I think Mr Kennedy is being somewhat unfair. He obviously has information that I'm not privy to, and I think in all fairness we need to give the deputy the opportunity to review the situation, as it has been presented, and I have asked her to undertake to review whatever happened in the meeting and to report back.

**Mr Kennedy:** On this small point, Minister, do you see this as a situation—do you accept Mrs Mookerjea's appearance here at some difficulty, coming from Ottawa on her own initiative, representing other parents? Do you understand that there are many children who are affected and many families, and will that be, at your direction, also the subject of the deputy's follow-up? Is that possible?

**Hon Mrs Witmer:** Mr Speaker, not knowing what may or may not have happened in the meeting, I think it is inappropriate that we would discuss what may or may not have been put on the record, what might have happened. I would simply ask that the deputy would follow up. I would certainly assure you that we will do our best to address the concerns that have been brought to our attention.

**Mr Kennedy:** Well, I think Mrs Mookerjea was looking for something more specific, Minister, that it's unfortunate you're not willing to provide.

I'd like to ask you now about the statement you made earlier, I believe, concerning parent input. There is a representative of a parent group in Toronto here today and I gather they have requested meetings with you and with the supervisor you appointed, who, we learned earlier today, is able to make these decisions on his own. They're wondering, is it your direction that the supervisor should be meeting with parent groups or is that simply a good thing that the supervisor should decide on his own? Which would you say is your intent to—

**Hon Mrs Witmer:** I'm going to ask Mr Hartmann to come up, but I would just quote from the supervisor's terms of reference. They include keeping parents, trustees, staff and members of the public informed about what's happening but at the same time seeking the advice of trustees, staff and parents in any matter the supervisor deems appropriate.

I'll ask Mr Hartmann, who has had much more involvement, to speak to the process.

**Mr Kennedy:** I'm sorry. It was about your direction, Minister. Is it your direction personally that they should be meeting with parent groups? Is there some guidance you can give to parent groups when the supervisor refuses or declines to meet with parents? To the knowledge of this group and other parents on this board who have lost their trustees, there haven't been any meetings. There certainly have not been extensive meetings with parents, and we're just wondering—perhaps we can find out—is this being monitored? I was trying to find out from you, Minister, do you expect that to be carried out? Do you expect parent groups to have access to this all-powerful supervisor? Do they get to meet with him or not? I'm wondering if you can say whether it is part of

your intent that the supervisor does meet with parent groups and that they should expect some success there.

**Hon Mrs Witmer:** First of all, I think we need to keep in mind that trustees still can continue to do what they've always done, and that is to facilitate and make sure that when there are problems within their constituency, they work with their parents and students in order to help resolve those issues.

Again, I would go back to the supervisor's terms of reference. The supervisor's terms of reference include seeking the advice of board trustees, staff—

**Mr Kennedy:** Minister, we've heard this once already and that's the only reason I interrupt. Mr Chair, I was just hoping the minister could tell me whether that leaves it up to the supervisor. The supervisor can decide if he wants to or doesn't want to meet with parents, and I guess I was hoping for something more positive from the minister, that she would, if not direct—as we heard before that there are limitations on how she can direct the supervisor, but does she believe that the supervisor should, or is the supervisor entirely able to decide that in his own right? Minister, if there is an answer to that, I'd appreciate it. If there isn't, I'd like to move on.

**Hon Mrs Witmer:** The supervisor has the opportunity to seek advice on any matter he would deem appropriate, and we would hope that he would make those decisions.

**Mr Kennedy:** OK. We're getting a picture here, Minister, of a supervisor who can do pretty much whatever he pleases, and I guess that's at least a concern.

I want to bring you, Minister, to a specific question that has been raised at this committee before, and perhaps there's a specific staff person who could deal with it. I'd like to know who at the Ministry of Education approves the content of advertising done by the ministry. And before you pass that on, I'm wondering if you could tell me very specifically how much money you're spending this year on advertising, and if you could refer us to the part of estimates where that can be found. Can you advise us in that regard, please?

1750

**Hon Mrs Witmer:** I'm going to ask one of our staff who would have that type of detail to share it with you.

**Mr Kennedy:** Maybe you would like to introduce yourself. Go ahead.

**Ms Donna Marafioti:** My name is Donna Marafioti and I'm the assistant deputy minister of corporate services for the Ministry of Education. Just in terms of your first question, I think you asked about the approval mechanism.

**Mr Kennedy:** My first question was, how much money is planned to be spent on advertising by the Ministry of Education in any of its programs this year? Do you have an answer for that?

**Ms Marafioti:** I do. There are two current plans that we have around advertising. The first one is a newspaper campaign, and the total cost of that campaign for this year is \$174,000. That includes the ad buy, \$158,000, in addition to the creative costs, which are \$16,000. There's also the TV advertisement campaign, which began on

September 3. The cost of that advertising campaign is estimated to be \$2.71 million, which again includes the cost of the ad buy and the cost of the creative costs.

**Mr Kennedy:** Could you table those figures for the committee? Further, could I just ask—

**Ms Marafioti:** I think I just did.

**Mr Kennedy:** Yes, but could it be tabled in writing? I'm sorry. I should be more specific. Is that possible?

**Ms Marafioti:** Yes, we can do that.

**Mr Kennedy:** Also, could you tell me, is this the full extent of advertising that the ministry will conduct in this fiscal year? Is that correct?

**Ms Marafioti:** This is the advertising that is planned at the current time.

**Mr Kennedy:** Can you tell us where, in the various approvals we are to make, this advertising will be charged, which account and so forth?

**Ms Marafioti:** Absolutely. In the estimates book, under ministry administration, you will find, along with other costs, the costs associated with the communications branch and the operation of that branch. There could be some very modest costs related to advertising that are contained in ministry administration. Most of the costs are in the policy and program area.

**Mr Kennedy:** So we see, for example, on page 31 that you're planning to spend \$8.1 million on transportation and communications.

**Ms Marafioti:** That includes many things, but the advertising costs can be incorporated into that area as well.

**Mr Kennedy:** This committee has asked for, and it's been agreed to supply, detailed information about past expenditures to do with advertising and estimates last year and also the year before. I'm wondering, when you table this information, can you provide us with comparisons of past expenditures on advertising by the Ministry of Education?

**Ms Marafioti:** I do believe that year, when we were here, we did table in Hansard the costs of advertising for last year, and I can provide that to you.

**Mr Kennedy:** The Hansard information was incomplete. I'm wondering what was undertaken at different times by your ministry, and I hope there isn't an issue of availability here. It was actual written summaries of the amount of money that you've spent on advertising. Is that available?

**Ms Marafioti:** I believe we can provide what was provided last year in terms of the cost of campaigns and what I've provided to you today.

**Mr Kennedy:** I would appreciate the last two years, if possible. Is that OK?

**Hon Mrs Witmer:** That's not a problem, Mr Kennedy. We would be more than pleased to provide that information to you.

**Mr Kennedy:** Can I ask then, in terms of approvals, are you the person who actually approves advertising campaigns; in other words, the civil servant who agrees that this money can be spent in this fashion?

**Ms Marafioti:** In the material that we tabled with the clerk of the committee, Mr Kennedy, you asked for a



copy of the guidelines that indicate the approvals that are required around advertising campaigns. So you do now have a copy of the Management Board guidelines.

**Mr Kennedy:** I do, and using that I'm still left with two questions I'd like to follow up with. But in terms of who signs off on the content—there's a lot of information about how you hire an advertising firm, but I'm wondering, who in your ministry decides that the content is acceptable and determines and authorizes that this money will be spent on this campaign to further the goals of the ministry? Who is that?

**Ms Marafioti:** I do believe that the Management Board guidelines—

**Mr Kennedy:** Can you refer me there and tell me what the answer is?

**Ms Marafioti:** Sure, I just have to find that part of my book.

**Mr Kennedy:** I take it from your answer that it's not yourself?

**Ms Marafioti:** I think you're asking two different questions, if I understand you correctly. One is the authority to approve the cost of a campaign—

**Mr Kennedy:** Yes, and one is the content. That's correct.

**Ms Marafioti:** In terms of the cost of the campaign, the requirements are set out in this directive, in terms of what level of approvals are required. So that is in this directive.

**Mr Kennedy:** OK. I guess what I would like to know, though, is that when it comes to content, and there were no guidelines that I could find in what you gave us, if the content is deemed to be partisan, does the public service have guidelines about whether or not this content can be subject to approval if it's of a partisan nature? Obviously we don't expect, despite the reference in the estimates book to the Conservative platform—and I'm sure it was just an inadvertent and small error that that would take place. We would like to believe there are checks and balances. I'm just wondering, would it be the deputy or would it be yourself we would look to to exercise that scrutiny on behalf of taxpayers that no government parties of any stripe would take advantage of a ministry advertising program? I presume that means someone's signature is on the appropriateness of the program.

**Ms Marafioti:** I think that we can point to the—

**Mr Kennedy:** Could we use the current campaign as the example? Who approves the campaign and signs off at that magnitude?

**Ms Marafioti:** In terms of the amount of money, the sign-off on the particular campaign is covered off in the directives that we have in front of you, and we are following the Management Board directives and making sure that those directives are adhered to in terms of the way our ministry is handling these matters.

**Mr Kennedy:** What I'd like to do is just quickly change to a different topic, if I may. This may require Mr Hartmann, and I'll perhaps come back if I have time available for this question and certainly will bring it up tomorrow.

I'd like to know if the minister is directly aware, and if not the minister, then Mr Hartmann, that apparently appraisers have been sent to look at the art collection that exists at Humberside school, which happens to be in my riding. It's art that was done by the Group of Seven for Humberside school. There's a concern reported by people at that school that the board has formed some kind of intent with respect to the artwork. I'm just wondering, because we talked earlier about the monitoring and reporting going on, is the ministry aware that the supervisor you put in place is in fact conducting these kinds of assessments of artwork?

**Hon Mrs Witmer:** Mr Hartmann would be prepared to respond to that.

**Mr Kennedy:** Do I take it, then, that you're not aware of this particular initiative?

**Hon Mrs Witmer:** I am not.

**Mr Kennedy:** OK. Mr Hartmann?

**Mr Hartmann:** No. We have no direct knowledge of an appraisal for those purposes, but it may well be, and it's only speculation, that the appraisal is being undertaken for insurance purposes as well, which is an exercise that most boards that do have valuable art collections, like the Toronto board in particular—

**Mr Kennedy:** This particular item I'm familiar with is a mural that was done at Humberside. You may have seen it.

**Mr Hartmann:** I'm familiar with it.

**Mr Kennedy:** It's actually an impressive piece of art for a number of reasons.

**Mr Hartmann:** It certainly is.

**Mr Kennedy:** I'm going to ask you pre-emptively, then, because we know it will be a while before the minister or the ministry gets its opinion expressed in terms of the supervisor's actions: I'd like to know, would you permit the supervisor to sell off that artwork if it was a recommendation in the plan that comes from the supervisor? Do you have a point of view on that? Minister, with all respect, it's simply, do you agree that that art should stay where it is, in the schools?

**Mr Hartmann:** That is a decision the supervisor would be making.

**Mr Kennedy:** On his own, without any input from you? Right here on the record there's no opinion on the part of the minister or the ministry that that art should be saved and kept in place. Is that correct?

**Mr Hartmann:** I've received no information about any direction that is being contemplated.

**Mr Kennedy:** Minister, is there any direction or opinion that you could offer us on this particular subject?

**Hon Mrs Witmer:** Mr Kennedy, I don't have any knowledge of what may or may not be in the Toronto schools. Anything that you're suggesting here is information that I certainly have no knowledge of.

**Mr Kennedy:** Thank you, not for the answer.

Specifically, I want to say myself for the record that the Humberside paintings are invaluable and it would be a travesty if the ministry was to put them in hock to pay for some of the cuts you're putting through.



I'd like to ask, again around advertising: we didn't see in the guidelines, and I'll ask this one more time, specific directives around what the public service can and cannot sign off on with regard to partisan content. I'd like to know, either from the deputy or from the responder, whether those exist and whether we could see those.

**Ms Marafioti:** Again, Mr Kennedy, the guidelines we're working with are the guidelines that are from Management Board of Cabinet. The operating premise here is that the ministry would not be involved in partisan advertising.

**Mr Kennedy:** I appreciate that premise. I guess what I'm asking for—because arguably there have been partisan-type ads emanating from the ministry, paid for by taxpayer dollars. The line that you point us to comes out of elementary and secondary policy and program delivery. Can you put a study in front of us for this particular program, then, that shows how that program will benefit children in school? Does the ministry undertake that kind of assessment, and could it be shared with this committee, of how you're spending that \$2.7 million in television and, I believe, something around \$1 million in newspaper? Do you have a study that you've undertaken as due diligence ahead of time to show how this will be beneficial?

**Ms Marafioti:** When you're talking about a study, basically, if you're asking for something different, which is what kind of parent information would we have, we can certainly look at what kind of inputs—

**Mr Kennedy:** No, no, I'm asking very clearly, when you spend millions of taxpayers' dollars on advertising, do you assess ahead of time, and if you do, can we have that assessment, how this will benefit children? Do you propose what the outcomes will be? Presumably you have some positive outcomes in mind, and if you do, can we have that advance assessment, how you propose that that is helping children get better educated in this province? Is there something you will table with us today?

**Ms Marafioti:** We can look at what other inputs the ministry has that do provide information about, you know, advertising and the benefits of it and what the focus of that advertising should be.

**Mr Kennedy:** There's no specific document for the campaign that you just referenced?

**Ms Marafioti:** Pardon me?

**Mr Kennedy:** There's no specific document for the campaign, none whatsoever? So the money was just spent without any preparation, any advance study?

**Ms Marafioti:** Not along the lines you're suggesting.

**Mr Kennedy:** Wow. There's money left, according to the budget line, of eight-point-some million dollars. You articulated there is only one program you're talking about now. You're saying there's no other advertising that's being planned or contemplated by the ministry at this time whatsoever?

**Ms Marafioti:** The numbers that I've provided you with today include the plans for advertising that are currently underway.

**Mr Kennedy:** Currently underway. Are there any other plans in future?

**Ms Marafioti:** Not that I'm aware of.

**Mr Kennedy:** Can you tell me whether the Premier's office becomes involved in your advertising campaigns? Is there any direction or interaction with the Premier's office around advertising campaigns? May I have an answer?

**Mr Ted Arnott (Waterloo-Wellington):** Mr Chairman, is it past 6 o'clock?

**The Vice-Chair:** It is past 6 o'clock, and Mr Kennedy is wrapping up in about a minute.

**Mr Kennedy:** May I have that answer?

**Ms Marafioti:** I'm sorry.

**Mr Kennedy:** The Premier's office. Are you in contact with the Premier's office around advertising campaigns within the ministry?

**Ms Marafioti:** The ministry staff are not in contact with staff in the Premier's office.

**Mr Kennedy:** So these are done within the Ministry of Education and yet there are no documents or plans within the Ministry of Education specific to this campaign.

**Ms Marafioti:** We have guidelines that we're working within that are from the Management Board of Cabinet. We do have procedures in place that have us working with cabinet office. There's no contact with the Premier's office for ministry staff.

**Mr Kennedy:** Is there somebody specifically in cabinet office who coordinates that? Is there a specific person who coordinates with you on advertising?

**Ms Marafioti:** I'm not sure, because I'm not the communications director at the moment. I'd have to look into that.

**Mr Kennedy:** Who is that person?

**The Vice-Chair:** Thank you very much. I've been very generous; it's time to end. We stand adjourned until tomorrow after routine proceedings.

*The committee adjourned at 1804.*







# CONTENTS

Tuesday 1 October 2002

**Ministry of Education ..... E-113**

Hon Elizabeth Witmer, Minister of Education  
Ms Suzanne Herbert, deputy minister of Education  
Mr Norbert Hartmann, assistant deputy minister,  
elementary/secondary business and finance division  
Mr Grant Clarke, director, secondary school project  
Mr Peter Gooch, director, education finance branch  
Mr Drew Nameth, director, business services branch  
Ms Donna Marafioti, assistant deputy minister,  
corporate management and services division

## STANDING COMMITTEE ON ESTIMATES

### Chair / Président

Mr Gerard Kennedy (Parkdale-High Park L)

### Vice-Chair / Vice-Président

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gilles Bisson (Timmins-James Bay / Timmins-Baie James ND)

Mr Ted Chudleigh (Halton PC)

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gerard Kennedy (Parkdale-High Park L)

Mr Frank Mazzilli (London-Fanshawe PC)

Mr Norm Miller (Parry Sound-Muskoka PC)

Mr John O'Toole (Durham PC)

Mr Steve Peters (Elgin-Middlesex-London L)

### Substitutions / Membres remplaçants

Mr Ted Arnott (Waterloo-Wellington PC)

Mr Doug Galt (Northumberland PC)

Mr Rosario Marchese (Trinity-Spadina ND)

### Clerk / Greffier

Mr Trevor Day

### Staff / Personnel

Mr Larry Johnston, research officer,  
Research and Information Services



E-6

E-6

ISSN 1181-6465

## Legislative Assembly of Ontario

Third Session, 37<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Troisième session, 37<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 2 October 2002

# Journal des débats (Hansard)

Mercredi 2 octobre 2002

## Standing committee on estimates

Ministry of Education

Ministry of Energy

## Comité permanent des budgets des dépenses

Ministère de l'Éducation

Ministère de l'Énergie

Chair: Gerard Kennedy  
Clerk: Susan Sourial

Président : Gerard Kennedy  
Greffière : Susan Sourial



### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Copies of Hansard**

Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

### **Exemplaires du Journal**

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.





## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Wednesday 2 October 2002

Mercredi 2 octobre 2002

*The committee met at 1535 in room 151.*

## MINISTRY OF EDUCATION

**The Vice-Chair (Mr Alvin Curling):** Let's resume the hearing of the estimates of education, but let me just deal with some little details before. We have an hour and 27 minutes remaining in the estimates of the Ministry of Education. The third party will be on right away with 20 minutes. Thereafter, it will be followed by the government with 20 minutes. The remaining 47 minutes will be at 15 minutes a round. If you calculate it mathematically, there are two minutes left, which maybe the chairman will take to give you a lecture or something. We'll see what the two minutes do.

Right now we will have Mr Marchese of the third party, to whom we'll give 20 minutes. You're on.

**Mr Rosario Marchese (Trinity-Spadina):** Minister, I wanted to pursue the questions that were being asked of you with respect to what the investigators are doing at the Toronto board around the issue of appraisal of the art work it may have accumulated over the 100 years or so of their history. Do you have any sense of why the investigators are doing that?

**Hon Elizabeth Witmer (Deputy Premier, Minister of Education):** After the question was brought to my attention yesterday, I learned that in April, prior to appointment of the supervisor, the administration of the board did undertake a process to review the board's inventory for various reasons, including ensuring that it was properly protected and secured and that this was for insurance purposes. Beyond that, I don't have any other details on this review and I have no knowledge of the collection of paintings. In fact you probably would be in a better position to know what they may or may not be.

**Mr Marchese:** No. I'm not sure they have as much art as we do. I don't know what we control here that is valuable or not. I would assume that we are not interested in selling our art work and that we wouldn't want that to happen. I would make the same assumption about the Toronto board not wanting to sell its art work, and I wondered whether the investigators are trying to find ways of raising money to deal with the deficit. That's the worry it projects, right?

**Hon Mrs Witmer:** I can appreciate your concern. Certainly that is not the information that I've received. I understand that this was a process started in April and it

continues to be ongoing. Maybe this is the first time, and I'm not sure, it might have been done since the amalgamation of the boards.

**Mr Marchese:** OK. If that's something the administrators were doing—

**Hon Mrs Witmer:** Before.

**Mr Marchese:** —before, I'm hoping that the now-supervisors are not spending a lot of our public dollars to do something the board would have done on their own. That would worry me a little bit.

**Hon Mrs Witmer:** No. As I say, I've been informed that this process started in April of this year.

**Mr Marchese:** OK. I am glad we got that out of the way. I was also worried about insurance because there are a lot of—I don't want to pursue it too much more except to make another point. Works of art that are donated are legally binding on some of the boards, as we would be with some of the art work that we collect over the years. I would have thought that that is a problem. I get the sense that you are agreeing with me.

**Hon Mrs Witmer:** I understand there may have been some alumni who made donations to the board and oftentimes there are restrictions.

**Mr Marchese:** I wanted to pursue the questions that I started with yesterday with respect to the double cohort. The study that has been done by Alan King—the question I was asking, and one of the other administrators had responded to it yesterday. We understand the study says they found that 80% of students had intentions to go on to university, but I was saying yesterday that the Minister of Training, Colleges and University is using a 60% figure and so we have concerns about the disconnect of those two figures. Do the two figures concern you in any way in terms of problems they present?

**Hon Mrs Witmer:** Yes. I'm going to ask the deputy to respond to that concern, Mr Marchese.

**Ms Suzanne Herbert:** Mr Marchese, the first report, of course, was following these children through the first new secondary school program. The question was asked of students what their intentions were. Of course, it's not unexpected that when children are in grades 9 or 10, they think of university as a real possibility for them. Over the period of time of their career, we know from surveys we've done in the past that what students say they're going to do and what they actually do often is somewhat different, so we expect that some of those children may take five years in the program. They may need more time

to accumulate their credits. We also know that some of those students may decide to take a year off before they go to university, or may decide that they are going to enter the working world instead of going to university.

So in looking at that first figure, the 80% figure, that is what students say they are going to do, not what we can actually guarantee they are going to do. We are continuing to, and will continue to, monitor with colleges and universities as the students move through the first cohort.

**Mr Marchese:** Right. That study I don't think is available. Are you making it available? Is there a problem of making it available?

**Ms Herbert:** The first year of the study—because this is a study that follows the students through—there was a summary report made available last year that is available. The second year of the study is still in draft and we expect to be able to make that available fairly soon. Dr King has been following these students through.

**Mr Marchese:** Yes. So “very soon” could be whenever you're ready or whenever—because the report is ready. There is a summary, I'm assuming.

**Ms Herbert:** No, when we receive the final copy of the report and when we've done our analysis of it—but I hope that it will be available fairly soon.

**Mr Marchese:** OK.

**Ms Herbert:** It was about, if I remember correctly last year—and, Grant, you might want to tell me for sure; I think it was November or December before it was—

**Mr Grant Clarke:** It was January.

**Ms Herbert:** Oh, it was January. Sorry.

**Mr Marchese:** To get back to the issue of the double cohort, I've heard a lot of teachers advising students that perhaps they could take the year off. My son is in his final grade. He's in grade 13. He tells me that some teachers are saying to students that they might, if they face a problem getting into university, decide to take the year off.

So we will never know who those students are who choose to take the year off versus the fact that they were squeezed from entering university or college. Therefore you will never know and I will never know. I'm arguing, there's a problem of access. You will argue, “No, whoever wants to go in, can.” I'm saying, how will we ever figure out whether the story that I'm telling you is true, and I believe it is, where a lot of people are advising—not guidance counsellors, because we don't have many left, although you say you probably have an increase in guidance counsellors, correct?

**Ms Herbert:** Probably we do.

**Mr Marchese:** Yes, I'm sure. I forgot guidance counsellors yesterday.

**Hon Mrs Witmer:** We were going to find that for you.

**Mr Marchese:** Yes, for sure, because I want to spread the news, as I was saying yesterday, about how good you guys are.

**Hon Mrs Witmer:** I could say good things about you, and vice versa.

**Mr Marchese:** Yes, to help each other.

So a lot of teachers are saying, “Take the year off if you find you can't get in.” I'm concerned that I believe this is what will happen: many will leave the province if they can't find space here, but you will never know because you don't track that. I'll never know, because I can't track it.

You have, in my mind, two reasons why you won't have a problem in terms of dealing with your access issue, and they are: they'll leave the province or they'll find a job. Some people are probably saying to those students, “It's not such a bad thing.”

I worry, because when people take a year off, they might like to take two, three or four. They might not like to go back. If it's one of my children, I've got to tell you, I'm a bit nervous, although for some students it's not a problem working that extra year because there is some physical and intellectual maturity, and for some it's great to take the year off. But it does worry me, if I am a parent, when that happens, because you never know what's going to happen.

How do we deal with this issue of access, of how we track those leaving the province and those students who are going to be working because they can't get in? What's your answer to that problem?

**Hon Mrs Witmer:** I know what you're talking about, Mr Marchese. I had a daughter a couple of years ago who was going into university and I can tell you, double cohort or not, it's always a year filled with some anxiety as students apply to post-secondary institutions and hope they'll be accepted and what have you.

This year the government has publicly stated that every qualified student will have access to post-secondary education. We have invested, as you know, considerable amounts of money. There are new buildings that are going up for teaching; there are new residences that are going up. In fact, the information we've tried to communicate with parents and students is that we have created 79,000 new student places. In other words, that's what is going to be ready by 2005-06. We have increased support for enrolment by \$368 million. This amount is \$75 million more than the multi-year commitment announced in last year's budget. So everything possible has been done.

But you're right: at the end of the period we won't know how many students chose to take another course of action this year. I can tell you, however, that I had another child who chose not to go directly to university, who took about three years off and worked, and I, his mother, thought, “He won't go back,” but he said he was going to and he did. Sometimes it is important that some of these young people have the opportunity to experience life and work, get a job. But we'll never know.

I hope, though, that every young person who wants to go to university or college will apply. We have made a commitment that every qualified student will be accepted and we're very confident that we can accommodate those students, but we'll never know.

**Mr Marchese:** We'll never know. That's the problem. That's the point I make. The government can claim that



every qualified student will have access. That's what your other minister is saying, and she will be able to say that affirmatively because there's no way of getting to the questions I've raised with you. But I'll get back to you with respect to my son because I'm going to need some political influence, of course.

*Interjection.*

**Hon Mrs Witmer:** Oh, no, you shouldn't do that.

**Mr Marchese:** I'm publicly telling you and your deputy that I'm coming for your help.

**Hon Mrs Witmer:** Are you?

**Mr Marchese:** Yes. And then I'm calling Dianne Cunningham to say, "Dianne, you'd better have space."

**Hon Mrs Witmer:** I have no doubt that your son will achieve success.

**Mr Marchese:** You see, she's boundless with her kindness.

People for Education did a study that shows about 20,000 students are now going to make it in the post-secondary educational systems. I thought it was a fairly good study. Do you have any methodological questions about that to deal with that report?

**Hon Mrs Witmer:** Do you know what? We have some problems sometimes trying to determine how the numbers were arrived at. But I can go back and tell you one more time that any qualified student will be accommodated at a post-secondary institution in the province of Ontario.

**Mr Marchese:** That's what I just said. That's what the minister says.

**Hon Mrs Witmer:** They will be. This is something that is very near and dear to my heart. We need to make sure that all students are confident and have that security of knowing that if they do well, they will be rewarded by a space.

I think all of our kids recognize that sometimes they don't get into the university or college of their first choice, and students end up taking their second or third choice. But that has always happened and that will continue to happen.

**Mr Marchese:** I just want to tell you that I'm really, really worried for many students; I really am. I believe many are not going to make it, and hopefully they will make it in future years.

I worry because demographically we're getting more and more students into the system than ever before. There is an anticipation of 90,000 more students in the next seven or eight years, which means we have a problem in terms of dealing with that and accommodating that. You will say whatever you'll say. I'm arguing that I have a great deal of anxiety. I don't think a lot of them will make it. I worry for them and I hurt for many of them. That's all. We'll have a difference of opinion, probably, now.

**Hon Mrs Witmer:** Right. You know, what we all have to do, regardless of what political party we represent, is, in our own way, to make every effort to ensure that those students will be accommodated, Mr Marchese.

## 1550

**Mr Marchese:** I know. I just want to get back to the supervisors who have taken over these boards. It has worried many of us, of course, that trustees are powerless, that they have no power whatsoever to do the job they wanted to do. Of course you'll argue that it was a choice they made; they could have balanced their budgets. But does it concern you that those trustees have no power any more, that they're literally powerless; they can't call meetings, they can't of course make any recommendations? They can't have meetings in their own wards, that I'm aware of. I don't know how some people are communicating. Some probably have their own e-mail system set up to communicate with them. But does it concern you a little bit?

**Hon Mrs Witmer:** Do you know what? I strongly advised and recommended that people do everything they possibly could to continue to be masters of their own boards. Unfortunately, there were some who made the decision that they were not going to balance their budget and, as a result, left us in a position where the law to balance the budget had been disobeyed. So it was necessary to send in a supervisor to balance the budget.

But having said that, the terms of reference for the supervisors still do provide that he would seek the advice of board trustees on any matter that he deems appropriate, including the establishment of board committees. I also understand that many trustees in those three boards are continuing to do the work that they were elected to do, and that is to make sure they deal with the problems of their constituents and they facilitate the resolution of those problems, working with the appropriate board staff. I understand some of the committees continue to be up and running as well.

**Mr Marchese:** Part of what I was saying yesterday was that the trustees refused to make those cuts because so much of what is being asked of them is going to hurt public education. I have all of Rosen's recommendations in terms of where they could cut.

I look here at planning: Reduce staff by two full-time employees. "Reorganization of work plans will be required, with increased workloads for remaining staff. There will be delays in the completion of some projects, eg, reports to the board on school area and boundary reviews. Timelines will be increased for responses to trustee and public requests for information and production of support materials...."

Word processing: "Reduce staffing by three full-time equivalents; will eliminate the word processing division and therefore the capacity to deliver a wide range of desktop publishing...; will shift the cost and responsibility for these projects to schools and departments."

In the brief description, reduced staff "support for schools to cover emergency and/or crisis situations (by \$15,573), and reduced allocation for school readiness programs...."

"Reduced support for volunteer program and beacon school/hub projects...; will reduce support for ... volunteers in education program which provides volunteer



recruitment, screening, placement and training of volunteers and volunteer coordinators.”

**The Vice-Chair:** You’ve got two minutes.

**Mr Marchese:** The list goes on. “Reduce professional development and communications allocation by \$13,860 from \$64,800. Will result in a pro-rated reduction of \$1,155,” and on and on. It’s piles of stuff. Every one of these things—the cutting of educational assistants, vice-principals and the like; there’s a lot of stuff—affects the quality of public schools. That’s what Rosen recommended by way of cuts. That’s where your supervisor is obviously going to have to review in terms of cuts he’s going to have to make. All of it will affect public education. That’s why the trustees refused to do it. What’s your reaction to that?

**Hon Mrs Witmer:** Part of my reaction to this whole situation is the fact that the Toronto board was given the same period of time as other boards to move toward consolidating their operations. They were given transition funding. They were asked to look at ways in which they could find efficiencies and deliver services in the best way possible.

I think the investigator has provided some suggestions as to how savings can be achieved. It will now be up to the supervisor to take a look at that. But also, Mr Marchese, the supervisor is meeting with parents, meeting with staff, and many of the suggestions that Mr Rosen had were actually suggestions that had been given to him by board staff. We need to keep in mind that there was a balanced budget that had been prepared by the director of education and board staff. So many of these ideas came right from the board.

**The Vice-Chair:** Mr O’Toole or Mr Miller, you have 20 minutes.

**Mr Norm Miller (Parry Sound-Muskoka):** I was interested in listening to Mr Marchese talking about the double-cohort year and I certainly have a real interest in that as well. I have a daughter in grade 12 who is in the double-cohort year and of course I have concerns about what she might be doing. She doesn’t know what she’s going to do yet, but as soon as she makes up her mind as to what program she might want to apply for—I am sure she’s planning on some post-secondary education, and I am certainly keenly interested in all those qualified kids having an opportunity to find a place to go to school.

Recently we’ve been hearing about grade 10 literacy tests. I think it’s wonderful to see the improvements we’ve seen in grade 10 literacy tests. Eighty-seven per cent of academic-stream students passed the test this year, but there are problems with the applied students. They had a big improvement, from 30% passing up to, I believe, 45%. So it’s a pretty significant increase in one year, but obviously 45% passing is not acceptable. Would you please describe the supports you provide for students who are having difficulty with our new high school curriculum, especially those who are taking the applied courses?

**Hon Mrs Witmer:** Yes, I can certainly do that, Mr Miller, keeping in mind that we have at the present time

two programs, the applied and the academic, whereas a few short years ago we actually had three programs: the academic, the applied and the basic levels of programs. So I think for the numbers in the applied, when you add that together, those are the students who used to be part of the basic level program as well.

Basically, as a government we have introduced a curriculum that parents were asking for and that people in the province were asking for. They wanted some very clear, consistent, specific standards. They wanted to make sure that students were going to achieve some basic skills, whether they be numeracy or literacy. That’s why we introduced the literacy test. I understand now one other province is going to be introducing a literacy test as well. There is certainly an interest throughout the world in making sure that students do achieve standards.

But having said that, there is always going to be a group of students—and there always has been, as I’m sure when you were in school and I was in school—who obviously are going to be struggling. They’re going to be struggling to achieve some of the basic standards of literacy and numeracy and we are going to have to help these students. What we’re trying to do is identify students early and make sure that those students who need help get the help—the remediation, the programs and support—as early as possible. Obviously, we want to make sure we do everything we can.

So principals are required in each school to establish a process to ensure that teachers can identify the students they know to be at risk of not being able to complete the requirements for the graduation diploma. As well, we’re trying to make sure that students have the opportunity to have workplace experiences. We need to recognize that not all students go on to college and university. Some are going to go directly to the workplace; others are going to go into apprenticeship programs.

**1600**

I can tell you that the new high school program does allow our schools to be responsive to the needs of the students. It does provide substitutions for compulsory courses where appropriate, and modifications and accommodation to curriculum expectations where necessary. Also, it does provide extra support.

We now have grade 9 and 10 academic and applied courses which prepare our students for destination-related courses in grades 11 and 12, whether they are going to enter the workforce immediately after high school, whether they are going to go into an apprenticeship or training program or whether they are going to continue their education at college or university. Those are really the three areas where the student may go. We have these destination-related courses because this is what parents and educators were looking for. They wanted us to keep the options open for the students in grades 9 and 10, and then they could start to move after that. So the destination-related courses begin in the senior years, grades 11 and 12.

How have we helped our students? Well, we give them money through a learning opportunities grant.

That's for remedial reading; it's for early literacy. As you know, we've got the new program, JK to 3. We have math programs. We have summer school programs. We have a \$168-million language grant for students who are struggling with English, for English as a second language. We have a \$15.8-million grant this year that was provided for the French-language students who need assistance with French as a language of instruction. And we have \$18.4 million for summer school programs for adults and high school students who need additional help. So there has been a considerable amount of money allocated this year on top of what was allocated in previous years to make sure that we provide the maximum level of support.

Having said that, there obviously is more that we could do, and I would just ask Grant Clarke to maybe give us some additional information.

**Mr Clarke:** Grant Clarke, director of the secondary school policy and programs branch.

In addition to what the minister has outlined, we are working with school boards around the use of locally developed compulsory courses. These are courses school boards may offer that count for compulsory credit. Boards may offer these—they are catch-up courses, in effect, for students who may not yet be ready for grade 9—in English, math and science. It's a way for students to get ready for the grade level expectations in the new provincial curriculum for grades 9 and 10.

In addition to the substitution for compulsory courses that the minister mentioned, there are literacy school courses and learning strategy courses, which can be combined with other subjects to allow students to get additional time to develop the skills they need in order to master the content of the subject areas they are studying.

We have had and are continuing to have many discussions through a series of district steering committees which are out in all regions of the province through our district offices, meeting with representatives of the school boards to go through the planning that can take place at the school level to ensure that schools can problem-solve with us around the kinds of programs they can put in place for students who may need extra support and help.

**Mr Miller:** Thank you very much. I think my partners here want to ask some questions.

**Mr Frank Mazzilli (London-Fanshawe):** Minister, we've heard much to-do about different school boards when it comes to special education and some obviously working to identify special-needs kids. Is there an act that governs what school boards are supposed to do? Is there a minimum standard across the province?

**Hon Mrs Witmer:** Yes. I'm pleased to tell you that the first year I was a trustee, 1980, is the year that legislation was introduced by Bette Stephenson, who was then the Minister of Education, and of course the Premier at that time was Bill Davis. There was a recognition at that time that we needed to do something to provide for the education of our exceptional students. It was all outlined in a bill that was called Bill 82. I think it was

quite a historic piece of legislation because it finally provided for special education for these students with exceptionalities. It did two things. First of all, it provided universal access. It guaranteed the right of all children, condition notwithstanding, to attend the public schools. What could be done that would be more than that? Second, it made all of the boards in Ontario responsible for providing the programs and services for students within their geographic area. This included providing not just programs but also services to their exceptional students. So this was a very significant piece of legislation.

Today, district school boards are responsible and do provide special education to our students in Ontario in an attempt to meet the needs of these exceptional students.

**Mr Bezzina** might have more information that he could share.

**Mr Mazzilli:** It's good to hear that there's an act that allows school boards to do this, but obviously we've worked on identifying students with special needs. There's never a problem until you've identified that there's a problem. Between 1980 and the present time, are you saying we were doing a poor job of identifying special needs? Is that part of the problem here?

**Hon Mrs Witmer:** I can tell you, based on my own personal experience, what happened until the introduction of the funding formula was that there were probably different levels of services and programs being provided by different boards in Ontario, but I think all of them were working toward the goal of identifying students. Students go through what's called an IPRC process.

I'll let Mr Bezzina speak to this particular issue.

**Mr Alex Bezzina:** I'm going to talk about the IPRC process, which is a process that is actually available to any parent who has concerns that the difficulties their child might be having at school are related to a disability or an exceptional need of some kind.

The IPRC process is a committee that the board must establish. It's made up of three persons. The parent, as a result of a regulatory change that was introduced in 1998, has a right to attend this meeting. The information that is specific to their son or daughter is presented to this committee: any assessment information that child might have; any materials from previous school years that might help the committee to understand what specifically the child might be struggling with. While the child might be struggling, it may not be easy to figure out specifically what the difficulty is unless you have some of this background information.

Based on this procedure, the IPRC committee will first of all identify the student as exceptional under one of five categories that the ministry has set up: communication difficulties, behavioural difficulties, intellectual difficulties, multiple exceptionalities—so there is a variety of ways that a child can be identified as exceptional. Based also on the information that's presented, it is determined where the child can best have their educational needs met: in a regular classroom or in a special classroom that



is set up for children who have that particular kind of difficulty.

Once the child is identified, the parent has two choices: they can accept the decision of the IPRC or they can appeal it. There is an appeal mechanism at the board level that a parent can go through to have the identification or the placement reversed or rechecked to see whether or not a good decision has been made.

The child goes to the placement where they are to be educated and, based on the information that has arisen from the IPRC, as well as any other information that might be available about that student, the principal must develop an individual education plan for that student and must do so within 30 days of that child being placed in that particular placement, whether it's a regular classroom or a special classroom.

**1610**

That individual education plan changes year to year because you are obviously wanting to teach children different things as the years go on. So the learning objectives for that child for that particular year are outlined, as well as the strategies that will be used by the teacher to get that child to those learning objectives.

**Mr John O'Toole (Durham):** That's a very comprehensive review of the IPRC. I had the privilege of sitting as a trustee in that period. I agree with the minister that it was a profound initiative brought forward by the then-Conservative government, and strengthened, as you said, the parents' role in the IPRC process in 1998.

I just want to comment generally, because I do have a prepared question here which I'd like to read.

**Mr Marchese:** I can't hear you, John.

**Mr O'Toole:** Well, you'll get a copy of Hansard.

**Mr Marchese:** I'm struggling.

**The Vice-Chair:** You can depend on the Hansard, he said.

**Mr O'Toole:** Yes. Get a copy of Hansard. You'll probably want to read it all.

**Mr Marchese:** OK, John. Thanks a lot.

**Mr O'Toole:** Mr Marchese mentioned the double cohort. Having been a parent of five children—and a very vigilant parent, I might add—they all require at this time of year—Rosario, you should check with your son or daughter, because right now they're actually going to be applying for their post-secondary. They're allowed to apply to three. Anything more than that, I think they have to pay \$500 or something. There's a whole bunch of conditions: whether or not they have residence and acceptance, acceptance with no residence.

I think of my own children, and the year off is not a bad idea, actually, given the fact that they're really not sure anyway. Sometimes it might be wise to pause and reflect on the world. Actually, I've tracked a lot of them. A lot of them today change. Two of my children changed their majors in the middle of high school—to their credit, because they actually sat down and thought about it. So I think to predict at 17 what you're going to be for the rest of your life is a little onerous. You should probably have a little time with your son to help him figure that through.

If you want to leave it to a guidance counsellor, that's a good idea. They have a lot of manuals they can help them read.

One of the initiatives I would like you or some of your staff, Minister, to respond to is the early identification initiatives which—as a parent, again, I always bring most of the stuff back to the real application. I thank my wife for being such an interventionist and having them very much prepared for school in terms of the early initiatives that are required to be successful in education.

Then, if you look at the social issues and you think of children at risk, I'm really wanting some response on that. It's the fundamental mechanics of learning. Basically, there's reading. If you can't read or somehow interpret some kind of symbolism called language, you're in serious trouble, because most of the stuff you have to plug into your head is in somebody else's book or somebody else's head. So that's a fundamental tool for learning: the visualization—some would call it reading—and also, the mathematics, quantifying the starting and ending points of various things.

Maybe you could spend a couple of minutes reviewing what the early strategies in reading, math and literacy are. The government has made major strides forward, and I commend you for that. You have to get that early, before grade 3, otherwise the slope is starting to turn on you.

**Hon Mrs Witmer:** I think that's something the research continues to demonstrate, the fact that the earlier you can intervene and become involved with children, obviously, the greater their success. I think we need to all be proud of the strategies we have put in place to support young children early on in life.

Our government actually announced, in early May of this year, \$25 million to introduce a new early math strategy. At the same time, we were having great success with the early reading strategy, so we've expanded that to grade 6. Basically, what it does is provide learning resources to children, but it also supports teachers. They need to be able to enhance their classroom skills in order that they can better teach the students the math and literacy skills that are required.

The other thing that it does—we sometimes forget there's another partner, and that is parents. So those strategies do provide guidance and support as to how parents can help their students achieve mastery of basic literacy and math skills.

**Mr O'Toole:** In the moment or two I have left I'd just like to make one comment. I watched a program on CITY-TV momentarily during the dinner hour, in the recess last night, and they were interviewing a young teacher from the Toronto area. The young teacher was telling me and the rest of Ontario that they had no money for pencils. When they arrived there in September, they had no money for—

**The Vice-Chair:** Your time is up, Mr O'Toole.

**Mr O'Toole:** Where the hell is the money going? Each student gets roughly \$7,000 and there's no—

**The Vice-Chair:** Thank you.



**Mr O'Toole:** I think that was incorrect communication. We should get a retraction from that.

**Mr Marchese:** Don't they get help in getting that, the extra money? I don't get it. What's going on?

**Mr O'Toole:** Where is it going?

**Mr Marchese:** I don't know.

**The Vice-Chair:** I think you should ask the minister afterwards if she has an answer for you.

Mr Kennedy, you have 15 minutes.

**Mr O'Toole:** Ask the boards.

**Mr Gerard Kennedy (Parkdale-High Park):** We note the puzzlement opposite, but it's been an ongoing condition and there's not much we can do.

**Hon Mrs Witmer:** How long is this, Mr Curling?

**The Vice-Chair:** Fifteen minutes.

**Mr Kennedy:** Minister, I'd like to ask you specifically about some of the things that have happened to families under your watch. You've exchanged with the members of your own party a rather glowing idea about what you've done in special education, but there are people present in this room who don't share that glowing view.

I want to introduce you, a little bit indirectly because she's sitting behind you, to Andrea Adams. She's the parent of a son who started JK in September and who only has an EA assigned for a very short time. We spoke very briefly about her yesterday but she's down here today. I want you to make a commitment to her directly—which would seem to be a very easy one for you to make given what you just said about your accomplishment, so described, in special education—that you will not let the supervisor in Toronto cut EAs away from her child. Are you prepared to make that commitment to Ms Adams and other parents and children in that position today? Are you prepared to do that?

**Hon Mrs Witmer:** I think our government has continued to point out that we know there are needs throughout the province. We have been trying very hard to respond to all of those needs. I indicated a little earlier that it was our government that originally had put in place legislation to make education universally accessible.

**Mr Kennedy:** Minister, with all respect, you've said these things and I wonder if you could answer the question.

**Hon Mrs Witmer:** If there is a particular situation, our staff would be only too pleased to meet with the parent, listen to the concerns and attempt to address them.

**Mr Kennedy:** Minister, either you're wilfully and knowingly trying to mislead this committee or you're simply not prepared to answer this question. Because I don't believe the first premise, I'm going to ask you again. You currently have a situation in Toronto—

**The Vice-Chair:** Order. I would ask you to withdraw the comment about wilfully misleading.

**Mr Kennedy:** I did not say, and I will withdraw any inference that I did say, that she is. I said there's a possi-

bility and I don't believe that she's wilfully misleading us. So I'm asking the question again.

*Interjection.*

**The Vice-Chair:** Mr O'Toole, I'm the Chair. I will be able to manage this. Thank you.

**Mr Kennedy:** Madam Minister, the question is very straightforward.

**Mr O'Toole:** On a point of order, Mr Chair: He would not withdraw. The Chair has asked him to withdraw. I asked him to—

**Mr Kennedy:** You're not chairing this committee, Mr O'Toole, and I hope this isn't coming out of my time.

**Mr O'Toole:** He won't obey the rules and I think he's in disrespect of this committee.

**Mr Kennedy:** It's a slightly desperate government that doesn't allow someone to speak. Mr O'Toole, you've had your time.

**Mr O'Toole:** Have a little respect, Mr Kennedy, if you expect to get a response.

**The Vice-Chair:** Mr O'Toole, you're making my job a little bit more difficult. Could both of you just quiet down a bit.

**Mr O'Toole:** I'm not going to sit here and have him badger and insult the minister. That's unacceptable to me, Mr Chair. Treat people respectfully and you will be treated respectfully in return.

**The Vice-Chair:** Mr Kennedy, you may proceed.

**Mr Kennedy:** Minister, because it is an important question, I'd like to make sure that you have every opportunity. Here is Ms Adams. You have sent in a supervisor. We found out yesterday that you have very little control over that supervisor, but you have made undertakings and they are implicit in what you said before about special education.

Ms Adams's son, James, started JK in September. He has Down's syndrome. He needs an EA with him. They are only assigned EAs, at least in this case, and I know a number of others, on a temporary basis. A very serious concern she has is that she could lose that EA for her son if you permit cuts to be made by the supervisor. So it is really just an assurance we're looking for here. She's obviously qualified. Her son is qualified for this special assistance and will do well with assistance. Will you assure her here today that you won't let the supervisor cut that EA or others? Because this is in the recommendations of your investigator, to make cuts to education assistants and special-ed teachers. I'm wondering if you would be prepared to make that assurance today, and I'd like to give you the opportunity again to make that if you are.

1620

**Hon Mrs Witmer:** I would just again put on the record the fact that we are spending \$1.37 billion on special education this year. There has been no reduction in funding of special education to the Toronto school board. We would be happy to meet with this particular person in order to address her concerns, but let me emphasize again that there have been absolutely no

reductions in special education funding for the Toronto school board.

**Mr Kennedy:** You know absolutely that the Toronto board, like every other board, is spending more money than you give them for special education because children like James Adams need it. Therefore, that's not good enough. You're cutting the Toronto school board by \$30 million, and that's got to come out of somewhere. In fact, you've endorsed a cut of \$90 million. So, Minister, it is regrettable that you wouldn't provide that assurance.

There's another parent I'd like to—

**Hon Mrs Witmer:** Well, do you know what?

**Mr Kennedy:** Minister, I'm asking the questions. I've given you two opportunities to answer.

Sonia Kurney has three sons. Two of them are in public education, and a third was. Minister, today we learned that there is a possible enrolment drop of 3,000 in the Toronto public school board. There was, under your government's watch, a 54% increase in enrolment in private schools. Sonia Kurney's is one of a number of families who have decided they can't get special education help in the public system. This is right here in the public education system in Toronto that you say is fully funded. Sonia Kurney's son Jeffrey has been placed in private school as of this September because he has not been able to get special education assistance. That private school costs the Kurney family \$25,000.

Minister, I think the Kurney family and the Adams family deserve from you some form of commitment that not only would you not cut funds and support and resources to these kids in Toronto, but that you would work to improve them. Obviously, if the Kurney family is taking their 10-year-old, who's got developmental delay, out of the system, if they are sacrificing \$25,000, they are saying to you as clearly as they possibly can that things are not working.

Minister, again, the Kurney family and the Adams family have real-life experiences that are quite different. One is a great degree of uncertainty, this short-term education assistant; the other is a lack of success, a lack of support, and finally a decision to leave to go to the private school system. Minister, do you agree it's all right for the Kurneys to have to take their child out of public education in order to get the support they need? Is that all right with you?

**Hon Mrs Witmer:** Our staff would be happy to meet with either one of these families. We recognize how important special education is to the individual families, their desire to make sure that the needs of their children are addressed, and we would be more than pleased. Again, I would just remind everyone here that we have continued to increase special education funding. In fact, our government protects special education funding, which was not the case before we introduced the new funding model, and I can tell you we will continue each year to provide more money for special education. The needs are there and we wish to respond.

**Mr Kennedy:** Minister, I asked you to make very specific commitments here and you've made neither of

them. Frankly, on behalf of the parents, you're filling the air with rhetorical stuff that doesn't meet their daily needs. These are real children. One is now having to rely completely on his parents' sacrifice, and another is in difficulty, just like the student yesterday from Ottawa, not getting any language treatment.

Minister, rather than deal with it as you should, as the minister, by looking at the systemic problems that these are evidence of, you're not willing to be accountable. That frankly is very disturbing because you are, in the case of the Toronto and Ottawa boards, the only accountable person, the only one at the end of the decision chain who is supposed to be accountable, and that's what this committee is supposed to do. Yet you refuse to acknowledge that there are real issues affecting these parents.

Minister, I want to ask you, can you tell us today how many boards in this province are paying out of other envelopes for special education services for kids? How many are you aware of?

**Hon Mrs Witmer:** I would just say again that Mr Bezzina and Ms Semenyk are quite happy to meet with these parents. We take their concerns very seriously and we would be more than pleased to see if we can help either one of them. I can see if the deputy has the information you're looking for to your question—

**Mr Kennedy:** Minister, we had a parent meet with your staff yesterday and it got her nothing. It got her the assurance that she wouldn't be hung up on, as in the last 10 times she called your ministry. So that doesn't get us very far. But could you answer the question directly? How many school boards are spending above their allocation on special education?

**Hon Mrs Witmer:** We're going to ask Mr Gooch to come up and respond to that particular—

**Ms Herbert:** Sorry, Minister—

**Hon Mrs Witmer:** He's not here?

**Ms Herbert:** Peter just indicated that he doesn't have that information.

**Mr Kennedy:** Is there anyone else who has that information? Minister, we've heard from you saying that every board has all the money they need for special needs. The fact is, your board was told in 1997 when they took over special education funding that you were cutting the total amount of money. You had a report from the superintendents—and I have a copy of it here if you haven't seen it—and they rarely speak out. They said at that time that \$150 million was being spent by school boards on top of what you were providing them. In other words, the funding you're bragging about here, which I frankly find offensive to families who are getting no services for their kids, is actually less money than the old system provided. Now, is there anybody among your many staff here who can put some facts on the table?

**Hon Mrs Witmer:** Again, I would just remind you that we feel the issue of special education funding is so important that it is one of the issues we have asked Dr Rozanski to address: are we providing funding to special education in the best way possible or is there another way



that we can better address the needs of these students? So I will tell you that is happening.

**Mr Kennedy:** Minister, unless you and your predecessors have been sitting in an ivory tower, not listening to any of these families or any of the organizations—you have known for quite a long time, and I can guarantee you your predecessor was here during estimates when other families came down. This systemic problem is just getting worse, but the same unfortunate characteristic apparently accompanies this office under this government: the denial of need rather than the addressing and providing of solutions.

Now Minister—

**Hon Mrs Witmer:** Mr Chair—

**Mr Kennedy:** Excuse me, Minister, I haven't asked a question. Community living Toronto says this about the way you're processing special needs. It says that the ISA funding problem, which for the benefit of the committee and others out there is the intensive support amount, is currently based on a difficult, time-consuming, demoralizing identification of ability and that better accountability would happen if this system was done away with. This advice, this constant information flow, has been coming in to your ministry for quite a long time. Instead, not only are you underfunding special education, but you're putting a huge drain on scarce resources, away from the classroom, away from these kids. You say you think it's so important that the Rozanski commission gets assigned it, but I say to you, Minister, that you have a responsibility every day you go to work. That responsibility should be to improve this system, but instead, these kids find themselves in a deficit.

I would ask you again, are you prepared, in advance of Rozanski, to look at the systemic problems that are facing kids like the Adams family, the Kurney family and other families like the Mookerjea family who were here yesterday? They are special-needs families and they're going to continue to come down here to this Legislature to seek your attention. They don't want to have useless meetings with your staff; they want to hear the minister say, "There could be a problem. I'm interested in solving this problem."

Minister, will you tell us what you're prepared to do on your own, as Minister of Education, to make sure that special-needs kids get assistance in class? Is there some undertaking you're prepared to make to them at all?

**Hon Mrs Witmer:** I would again indicate that Mr Bezzina and Ms Semenyk are quite happy, quite pleased, to meet with the parents who are here. Again, I would just reiterate the fact that our government takes very seriously the needs of students in this province with special needs and we have been moving forward to make sure we can respond in the best way possible.

**Mr Kennedy:** Ms Mookerjea came here yesterday because 30 days ago your decision took language training away from her young child. She has no language training today. She met with your staff. There's been no consequence of that. Twenty-nine other children don't have language training. Twenty-nine out of the 32 have

nothing being done for them—nothing at all. Minister, are you going to take some responsibility, or do you think you can simply sit there and wash your hands of it? Those are 29 kids registered in a helpful program to address their language needs. It has been cancelled. The parent came all the way from Ottawa, met with your staff, after being hung up on 10 times by your staff, and you sit here not willing to respond to those needs.

1630

**Hon Mrs Witmer:** Mr Chair, it's unfortunate, but it would be inappropriate for me to publicly discuss the results of any conversation that would relate to any personal information involving any family. But I can certainly assure you that our ministry takes very seriously all of these special-needs issues and are certainly doing everything that we possibly can to support these families.

**Mr Kennedy:** That's pathetic.

**The Vice-Chair:** Time is up. Mr Marchese, 15 minutes.

**Mr Marchese:** Just to pursue this, Minister: the whole issue of split classes concerns me. We hear from a lot of teachers in both the public and Catholic systems, "This is a serious problem." We have a lot of—

*Interjection.*

**Mr Marchese:** Sorry, John?

**Mr O'Toole:** Split classes were introduced in 1980. They're all on individual plans, basically, now. Each child is different.

**Mr Marchese:** OK. Thank you, minister O'Toole.

**Mr O'Toole:** Split classes: any kids who haven't been in them haven't been in school, which is prehistoric.

**Mr Marchese:** Thank you again.

So it's a big concern of many teachers these days, and worse, because in the old system they argued that they could accommodate the curriculum and there was enough flexibility to be able to teach a grade 2/3, a grade 1/2, a grade 4/5. But now, because of the new curriculum, many are saying it's very rigid, very complicated for the teachers to now teach under the new curriculum with split classes. They're finding it very stressful at a personal level, but they feel a lot of children are being hurt by it.

I raised this the last time we talked about it: have you done some serious work about that problem as a result of your new curriculum and what you're going to do to help them, teachers and students alike?

**Hon Mrs Witmer:** I'm going to ask one of our staff, Marie-Lison Fougère, to share with you some of the information we have, Mr Marchese, on the issue of split classes.

*Interjection.*

**Hon Mrs Witmer:** Is she here?

**Ms Herbert:** I'm getting hand signals here. You'll excuse me, Mr Chair.

**Hon Mrs Witmer:** Maybe you're getting somebody else.

**Mr Marchese:** Avrum, please don't fret.

**The Vice-Chair:** Looks like you're getting more than what you bargained for.



**Hon Mrs Witmer:** You're right.

**Ms Herbert:** We're sorting this out. Sorry, Mr Marchese.

**Mr Marchese:** That's all right.

**Hon Mrs Witmer:** We're going to have Kit Rankin do this.

**Mr Marchese:** State your name for the purposes of Hansard.

**The Vice-Chair:** Thank you so much, Mr Marchese.

**Hon Mrs Witmer:** Everybody wants to help you today, Alvin.

**The Vice-Chair:** Mr O'Toole takes your role; you take my role.

**Mr Marchese:** And you can ask questions.

**The Vice-Chair:** Please state your name.

**Ms Kit Rankin:** I'm Kit Rankin of the curriculum and assessment policy branch of the Ministry of Education.

The Ontario curriculum is a very specific curriculum in response to requests from parents for very clear explanations of what students were expected to know and be able to do at each grade level. Consequently, our elementary curriculum was designed in a way to map that out very clearly so that parents, teachers and students would know exactly what they were expected to learn in each subject.

Teachers have talked from time to time about the challenges they do find in teaching a combined-grade class. Especially at the beginning of the implementation of the curriculum we did hear, through the curriculum implementation partnership and the ad hoc advisory committee on curriculum implementation, that teachers were wanting to have some assistance. One of the things done through the Ministry of Education to provide support for teachers was, first of all, the curriculum implementation partnership asked that a study group be formed that had classroom teachers and administrators. That committee met over a long period of time and talked about their needs. One of the things they thought would be very useful was examples of what teachers might be able to offer as specific examples of how to teach a specific curriculum unit for a split-grade or a combined-grade class.

Consequently, one of the things the Ministry of Education has been doing in the last couple of years is developing sample units of study. Those sample units of study have been developed for both regular single-grade classes and for combined-grade classes in a number of different subject areas. Those grade-by-grade units and combined-grade units show teachers how some very capable teacher colleagues in school boards—

**Mr Marchese:** Ms Rankin, I can tell that you could go on for hours—and the minister doesn't mind, of course. And I don't mind either because it's important to learn.

So a whole lot of things are coming out of this study group. You're sharing this with the federations, of course, and teachers are getting it. They're getting it in their hands as fast as you're telling me?

**Ms Rankin:** I'm not certain that I can relate the speed at which I'm telling you with the speed at which teachers are receiving it.

**Mr Marchese:** But they're getting it?

**Ms Rankin:** Yes. Last fall they did receive some sample units of study.

**Mr Marchese:** "They" meaning who? Teachers?

**Ms Rankin:** Classroom teachers, yes. It went out to school boards, both on CD-ROM—

**Mr Marchese:** So if they're still complaining about the problems of this rigid curriculum that doesn't give them the flexibility to do what they could do, and they don't get to the students as they would like to—you probably recognize it's a problem, I'm assuming.

**Ms Rankin:** We were told by stakeholders—

**Mr Marchese:** That it's a problem.

**Ms Rankin:** —that they felt it was a problem.

**Mr Marchese:** Were you a teacher?

**Ms Rankin:** Yes, I was.

**Mr Marchese:** High school or elementary?

**Ms Rankin:** I was a high school teacher.

**Mr Marchese:** Oh. OK. That's good; I used to be too.

**Ms Rankin:** I didn't teach combined grades in high school, though, so I can appreciate this.

**Mr Marchese:** But you've heard that it's a problem and you're trying to dealing with it. You are dealing with it, because the study group has come up with some suggestions. So you're getting a lot of feedback saying, "This is really good" from teachers—

**Ms Rankin:** Well, we wanted to know, after we offered the first round of units, whether our key stakeholders thought it was useful and whether it was something we should continue to do for other subject areas. So we went on after the first stage and are now in the process of developing a second stage of additional units. We also had a resource document that we put out with the units the first year. It has specific pointers on how to do this.

**Mr Marchese:** Ms Rankin, I would like to get hold of those documents. Do you think I can get them?

**Ms Rankin:** It's open—absolutely.

**Mr Marchese:** Public documents, of course. But do you think you can send me a copy of those things?

**Ms Rankin:** I'm sure our deputy can make sure that gets to you.

**Mr Marchese:** I didn't think that would be a problem.

We have a policy of integration of students, so that special-education students are now being integrated. In a split class, where you have some behavioural problems, communications problems, intellectual problems—so you've got split grades and you have an additional amount of problems of students who have difficulties—do you think that presents problems to teachers?

**Ms Rankin:** Teachers have always indicated that sometimes they face special challenges. They go to their principal and ask for advice and assistance. They might call on other colleagues in the school to advise them. Sometimes there are special challenges.

**Mr Marchese:** There are, much of the time. It's not just sometimes, and you would know that. At the elementary level it could be just as bad as at the high school level, but at the elementary level I suspect it would be much more stressful.

**1640**

I'm indicating, secondly, that the new curriculum has imposed a great burden on teachers and, as a result, stresses on students as well generally, but in particular in split classes. So when you now have the additional element of an integration policy that says students will be integrated in the regular classroom, the stress on the teacher and students generally is much, much higher. It presents educational learning problems that we have to address. In your role, in the minister's role, in the deputy minister's role and the assistant deputy and all the other people behind you, it presents a serious problem, right?

**Ms Rankin:** In the work that we've been doing to support teachers of combined grades and of single-grade classes, we do try to find ways to offer advice about special education. So we are providing supports through the curriculum process as well.

**Mr Marchese:** Through curriculum, I'm not quite sure. But since you're here, I don't mind—Deputy Minister, yes, please participate.

**Ms Herbert:** I'm just going to add, Mr Marchese, that we have been tracking split-grade classes for about the last five or six years. I don't have the numbers on the top of my head, other than to say that we know the numbers of split-grade classes are reducing across the province. Partly that's just demographics and opportunities that schools have as they build new schools to sort out their accommodation issues. Partly it is because the administrators of school boards understand that if there are options to have single-grade classes, that is—

**Mr Marchese:** A better option.

**Ms Herbert:** A better option. Certainly I know that the teachers' unions have been working closely with the administrators to try to sort this issue out.

**Mr Marchese:** Of course.

**Ms Herbert:** As I say, I don't have the numbers right off the top of my head.

**Mr Marchese:** But maybe you can send that information with the other documents.

**Ms Herbert:** We'll send it in, yes.

**Mr Marchese:** Quite apart from the split grades, regular classroom teachers, of course, are very concerned about this. The fear of losing the educational assistants—which really was the question that in part he was asking. Quite apart from the specifics—you don't need to worry about specifics; let's talk generally so you can be a little more free to talk—it presents a problem, because if you've got a regular classroom with an integration policy where you have a lot of special-education needs children in it, it does put a lot of stress on the teachers. So you all of a sudden have got a classroom with however many students there are, which is usually a high number, and then you put into that classroom a lot of students who have special needs.

By the way, I do support an integration policy. I do, because politically and philosophically I think it's the better way to go. I don't support, generally speaking, a segregationist kind of policy, where you put special-education kids in their own classes and schools, because the fear I have is that if you put them in those classes, they'll stay there forever. They will stay there forever, of course going at their own level, but usually at lower levels, versus the integration policies, where they get the mix of students, the socialization with other students, and not just with one single group. So as a whole I support that. But if you don't put in the resources, then I'm absolutely frightened of that, because then we're not helping those students who have special needs. We're not helping the regular students. We're not helping the teacher. Then we've got a whole new problem to worry about.

**The Vice-Chair:** Two minutes.

**Mr Marchese:** My goodness, how time flies.

So here's my theory: to press with the issue of what Rosen was recommending—that fine accountant with a special eye for special needs—he was recommending we cut educational assistants as one of many things, including cutting from the budget of supplies and textbooks, by the way, in case you missed that. He's saying we should cut textbooks and supplies; that's the accountant's advice on what we should do. But cutting educational assistants would be a serious problem to me, you see? Those families that have special-education needs children are profoundly nervous and worried. I'm worried for them, worried for the teacher, worried for the students. Do you think for one moment that somehow this Mr Christie fellow would recommend that we cut educational assistants? What would you say if he did?

**Hon Mrs Witmer:** I think that's one of the other reasons we're looking at the funding formula. I will agree with you, Mr Marchese, that there are some unique needs that our students have. I think you've also raised the issue today of the challenges that our teachers face in the classroom and the need to make sure that they're well supported. I think that there's been a lot of input into the Rozanski task force about some of these issues that you're bringing to our attention today, and I hope some of the recommendations will address some of these very unique issues.

**Mr Marchese:** I'm sure they will.

**Hon Mrs Witmer:** I want to put on the record that I really appreciate your sincere commitment to the students you serve in your community. I think the questions you've asked in the last few days certainly demonstrate your desire to improve the educational system.

**The Vice-Chair:** What an endorsement for the NDP there from the minister.

We have 15 more minutes of time left.

**Hon Mrs Witmer:** And then two?

**The Vice-Chair:** And then that famous two.

**Hon Mrs Witmer:** Where you get to speak.

**The Vice-Chair:** Yes.



**Mr Mazzilli:** Minister, my question is around recruiting and maintaining teachers in Ontario. Obviously with the unemployment rate we have right now, it has to be difficult. Once you get down to 4% provincially, it gets difficult in all professions. I hear from the Metro police department that they can't fill 300 or 400 jobs, jobs that in the past would have been filled quite easily. The fire department, if you can imagine, has difficulties in today's environment. I certainly wish I had picked that path. But it has to be difficult and it has to be challenging for the boards.

There have to be many people who are educated as teachers who are in other professions. I know if you recruit them back, you're taking them from policing or fire departments or whatever, but do we have any idea how many people in Ontario are educated as teachers but are currently not teaching?

**Hon Mrs Witmer:** I don't have those data. I don't know if anybody within the ministry does have the data as to how many people are teachers and could be teaching but are not. It's probably quite similar to what I saw when I was Minister of Health. We have nurses who are simply not practising in their profession. Some of them might even have chosen other careers. So I'm sorry. We can try to get that information if we don't have it.

**Mr Mazzilli:** I don't think that information is really relevant. I think what's relevant is that school boards and your ministry are competing to keep people in the teaching profession.

**Hon Mrs Witmer:** For sure.

**Mr Mazzilli:** And others are competing to take teachers away from their profession; for example, police departments, fire departments, whoever. What strategy do you have right now to keep and maybe lure back some teachers?

**Hon Mrs Witmer:** If I take a look at the point you've just made, I think young people today have more opportunities available than ever before. You've talked about some of the areas of need, and there are exciting opportunities in the science and computer fields. There is a lot of opportunity.

We certainly are committed to making sure that we have the best-trained and most capable teachers to teach our young people in the province today. What we have done is set up a teacher recruitment working group. We're actually working with the Ontario Teachers' Federation and the Ontario College of Teachers in order that we can develop an action plan which will enable us to recruit the very best people in this province. I have to tell you that recently I've been very encouraged. I've spoken to some young people recently who are going into teaching and I think they're going to serve our students well.

I also want you to know that we have more student spaces for people who want to be teachers than in the past. We're now funding about 6,500 spaces, and that's up 30% from 1998-99. So again, recognizing that we need more teachers, we've done a couple of things:

we've got the working group and we've got more spaces to train teachers.

**Mr Mazzilli:** That's certainly a good strategy, and I wish you luck because I know it's going to be difficult in this current environment.

I'll pass it off to one of my colleagues.

**Hon Mrs Witmer:** One of the other things you might be interested in, because you did mention people who might not be in the profession, is that we have now made changes to what retired teachers can and cannot do. We have what's called the 95-day rule, which allows retired teachers to work up to 95 days each year as a substitute teacher. So you get a very well qualified person back into the classroom.

**Mr Mazzilli:** That was a problem for all people under OMERS, where they were penalized if they worked for a month.

**Hon Mrs Witmer:** That's right.

**Mr Mazzilli:** So it's a step in the right direction.

**Hon Mrs Witmer:** Oh, this is fantastic.

1650

**Mr O'Toole:** Actually, it's quite interesting, because there are hardly 200 teaching days—193. Anyway, there have been some really good issues.

I just wanted it clarified if before I asked a question. I think when I was referring to the split grade, I was probably not reacting, but I was interested in the response there because it was a huge issue and it continues to be a huge issue in our area, and not just because of the new curriculum. In many ways, in smaller rural schools it's the only way they can function.

With the new school footprint, the number of students has made it easier to get enough bulk that you can fill out grades. But then when I listen to the teachers, which two of the members of my family are, they are all split grades, basically; every kid is on a different learning curve. So they're on IEPs; they are fully integrated; they are special-needs. It's very complex, much more complex than when I was a trustee, and getting more so, because some of them are at different points in the same curriculum. The teacher modifies the program but they will achieve the goals of the program. Now they have these fancy terms, "age-appropriate" and such. It's code language for, "Don't fail anyone." It's a lot of bunk, really. I'm not sure if it serves the child well. If they're age-appropriate and they're socially—getting beat up intellectually every day, I'm not sure how good that is for them, really. But those are my own thoughts, for what that's worth, which is not much, actually.

**Hon Mrs Witmer:** You answer your own questions, Mr O'Toole.

**Mr O'Toole:** The only thing is, I'm old enough to have both the questions and the answers. Being almost 60, I figure I've seen this thing go around the track a few times.

I think the government has introduced new initiatives to ensure that schools in the province are safe. But I'm going to pass it over to Mr Miller, because he has a much more profound question to ask.



**Mr Miller:** No, you had a question.

**Mr O'Toole:** No, no. You dropped your pen, which was my code language for, "You can stop now."

**The Vice-Chair:** You could pass it over to me and we can end it.

**Mr Miller:** I guess first of all, Mr Marchese was talking about split grades. Certainly in my riding of Parry Sound-Muskoka, split grades in some cases are necessary. I know last year I had a small primary school that I think was about 85 students that faced the possibility of closing in the community of Magnetawan. Certainly I didn't want to see the school close and I'm happy that in the end it didn't close, but really, that school could only stay open with split grades. They have about 80 or 85 kids, and it's really necessary.

It's also interesting to hear your response to the need for teachers. That's something that my daughter Renée, who is in grade 12—and I'm sure she would be an excellent teacher—is considering. So I hope she considers that.

I am interested in the percentage of students in independent schools in Ontario versus other parts of Canada. We've heard Mr Kennedy, who was rhyming off lots of facts and figures, many of which I'm not sure are—I would follow that carefully. But he was talking about a big increase in kids in Ontario independent schools. What sort of percentage of students are there in independent schools versus public schools in Ontario, and how does that compare with some of the other provinces?

**Hon Mrs Witmer:** You want a comparison on the rest of Canada?

**Mr Miller:** Certainly, yes.

**Hon Mrs Witmer:** It's interesting to even raise that issue, because I can remember when I was a trustee, and maybe Mr O'Toole and Mr Marchese do, that we were starting to see an increasing number of students even then, between 1980 and 1990, looking at private schools and looking at home schooling. That was becoming increasingly popular, so I think probably some of the statistics are going to show that there has been some movement across Canada on this particular issue.

**Ms Herbert:** I'm just looking at our data here.

**Mr Miller:** Mr Kennedy is making it sound like we have a far higher percentage of kids in independent schools. How do we compare to the average across Canada? Are there places with more kids?

**Hon Mrs Witmer:** And keep in mind that some people have chosen to go to the faith-based schools. That has been very important for them.

I think the deputy maybe has some data.

**Ms Herbert:** I've got some comparisons with other provinces. Here we go. We found the right piece of paper. In British Columbia, 8% of the student population is in independent schools; in Alberta, 4.5% of the school population; in Manitoba, there's just a very small percentage; and in Quebec, approximately 9%; which compares, I think, with ours—the latest figures were about 5%.

**Hon Mrs Witmer:** So I think you can see that our numbers are probably less than what we're seeing in some of the other provinces.

**Mr Marchese:** That's not bad. We're keeping it down. They have choice.

**Mr O'Toole:** I think if you mention choice—personally, I think it's absolutely empowering for parents and in many cases children to have choice. I think some of the excellent schools—the A.Y. Jackson school—there are several excellent schools in Toronto where they have excellent programs for drama, theatre, art, computers. So parent choice is very empowering for both the parent and the child to—

*Interjection.*

**Mr O'Toole:** Yes—and they support choice, I believe. There are five independent schools in my riding, and it's growing.

**Hon Mrs Witmer:** Yes, and as I say, there has been a move in the number of faith-based schools in the province.

**Mr O'Toole:** They're excellent schools. A lot of them are regular licensed and qualified teachers—all are qualified. I think they offer a program—they are now going to participate, it's my understanding, in the testing for outcomes to make sure that they meet standards etc; parents want that. I'm impressed.

**Mr Marchese:** Those who are nonqualified teachers too?

**Mr O'Toole:** I don't like to think, at the end of the day, that Earl Manners should run the school system. I think even professional teachers are looking for a choice, to get out from under Phyllis and the rest of them.

**The Vice-Chair:** Two minutes. Are you going to be able to take the time?

**Hon Mrs Witmer:** We're going to let—

**Mr Mazzilli:** Can we waive our time?

**The Vice-Chair:** Are you waiving your time? Thank you very much for waiving your time.

Madam Minister, before we take the vote, I just want to say that I find this extremely interesting. As a matter of fact, the interchange has been so exciting that maybe some time we may—as a Chair, I feel quite—

**Mr Marchese:** Empowered.

**The Vice-Chair:**—impotent. I would have liked to have participated. Maybe we may change the standing orders and I can then participate and make my contribution.

However, I really want to thank you and thank those—I can see from the interchange that even your own government side wanted to continue long beyond the time.

Let me just go to the votes then. That's my two minutes. I decided to press at that aspect of it. It is then the Ministry of Education votes which we'll take.

Shall the vote of 1001 carry? Carried.

Shall the vote of 1002 carry? Carried.

**Mr Marchese:** These are just numbers: 1001, 1002?

**The Vice-Chair:** I know you were all paying attention on what votes you were debating on all along through the hours.

Shall the estimates of the Ministry of Education carry? Carried.

Shall I report the estimates then to the House? Carried. Thank you very much, Madam Minister. I know you enjoyed this. I want to thank all your staff and the deputy. You have an excellent deputy. As you went along praising Mr Marchese, we praise this deputy and the support staff who do an excellent job.

**Hon Mrs Witmer:** Certainly I want to express my appreciation to the committee members, but I want to express special appreciation to all of the staff at the Ministry of Education for the hard work that they have undertaken. I think this is always a lot of work, and I certainly appreciate the contribution that they have made.

**The Vice-Chair:** I can understand that. They're excellent civil servants.

We're going to recess for 15 minutes for the Ministry of Energy. They can regroup themselves. We'll have a new group of civil servants. At 5:15, reassemble.

*The committee recessed from 1659 to 1720.*

## MINISTRY OF ENERGY

**The Vice-Chair:** We are here today for the consideration of the estimates of the Ministry of Energy.

I'll just lay it out: the vote is 1101, item 1, and we will begin with a 15-minute statement from the minister, followed by 15 minutes for the official opposition, then 15 minutes for the third party when they arrive, and then another 15 minutes for the government or for the minister to use as a right of reply. The remaining time of two hours and 45 minutes will be apportioned equally among the three parties thereafter.

So welcome, Mr Minister. You may lead with your 15 minutes.

**Hon John R. Baird (Minister of Energy, minister responsible for francophone affairs):** Thank you, Mr Chair. I'm very pleased to have the opportunity to appear before the standing committee to talk about the initiatives and activities of the Ministry of Energy.

If I could at the outset just introduce two people, to my left is Judy Hubert, who is the assistant deputy minister of energy, and to my right is Dr Bryne Purchase, who is the deputy minister. I should say that I think I have had the opportunity at various times in my short career to work in about 10 or 11 departments or ministries, and they are two of the most exceptional people that I've had the chance to work with. That's no small accomplishment, so I want to say that on the record and publicly. I know they look forward to participating in this process every bit as much as I do.

Over the next 15 minutes, I'd like to talk about the Ontario government's vision for Ontario's electricity sector and highlight some of the key areas where the ministry and its precursors, the Ministry of Environment and Energy and the Ministry of Energy, Science and Technology, have been active over the past 12 months. I was both honoured and enthusiastic when the Premier asked me to be the Minister of Energy about 40 or 50

days ago. It's an important and challenging portfolio, and I think the Premier's decision to make it a stand-alone ministry recognizes the huge amount of public priority that he and the people of Ontario are putting on these important issues.

Simply put, the mission of the Ministry of Energy is to help ensure strong economic growth, a high standard of living and improved quality of life for all the people in the province of Ontario by promoting the development of an energy sector that offers consumer choice, competitive prices and a safe, reliable and environmentally sustainable supply. As with all important endeavours, success in fulfilling this mission—and when I say that, I think it's important to underline lasting and long-term success—in my judgment, has three ingredients: first, a clear and compelling vision; second, the strength to stick to your plan; and third, the creativity to respond to challenges and adapt to change.

These three principles have guided all facets of our government's agenda, including restructuring Ontario's electricity market, since 1998. In the energy sector, our government's vision is of an electricity system that is an enabler of economic growth and development, not one that holds us back. Yet it wasn't always that way. As recently as the last decade, we saw proof that the old Ontario Hydro electricity monopoly was not working and was pulling the rest of the province down. Part of the problem stemmed from unrealistic prices, a poor performance and, regrettably, a legacy of debt. So we set out to fix it, and I believe we are well on our way to realizing our vision.

Achievement of any vision requires following through with a realistic plan, which leads to my second point: the necessity of having a good plan. The elements of our plan for electricity are straightforward: first, to continue to build a competitive generation market; second, to give consumers choice—choice among retailers and choice among generators; and third, to ensure that the wires monopoly is disciplined and efficient.

### 1730

As you know, on May 1 of this year, Ontario's electricity market opened to competition. I believe it was a major milestone for the ministry, which had worked hard since 1997 to achieve this important goal. In opening the competitive market, the government was following through on a commitment to restructure the electricity system for the benefit of all people in Ontario. It was not a step that was taken lightly. In the lead-up to the market opening, the minister I think is recognized for having consulted widely. We examined how other jurisdictions had restructured their electricity markets, learning from both successes and failures. And at every step, we asked the question, "Is this in the best interests of Ontario consumers?" and we made sure the answer was an unequivocal yes before proceeding.

As part of the market design, we had in place a number of measures to protect consumers. One example is the market power mitigation agreement. This has been discussed on a good number of occasions in the Legislature



recently, and I won't go on. But the rebate is an obligation contained in Ontario Power Generation's generation licence and applies for the first four years following market opening. It serves I suppose two principal reasons: one, as a sort of check on the power that Ontario Power Generation has on the market, holding a substantial share of the generation capacity in the province; and hopefully, secondly, it serves as a strong encouragement for them to pursue decontrol. That's of course reducing its share of the market, which is something I know has been an issue, an important priority, going back to the days of Bill 35, when we had province-wide hearings when I served as parliamentary assistant for finance and as a member of that committee, as well as a number of other members around the table. That was an important issue then and I think it remains an important issue.

We also strengthened the regulatory and enforcement capabilities of the Ontario Energy Board, and shortly after market opening the government introduced the Reliable Energy and Consumer Protection Act, which passed in the Ontario Legislature this past June. The act helps protect consumers by strengthening the OEB's already formidable enforcement powers, and by enacting a new energy consumers' bill of rights.

This legislation gives the OEB the authority to order compliance or to levy penalties of up to \$10,000 a day if it discovers unfair marketing or retailing practices. It also gives the board the power to revoke licences. The bill of rights prohibits false advertising and gives the government the authority to require that key information in gas or electricity contracts be presented clearly and factually.

As I said earlier, the electricity market opened to competition on May 1 of this year, and it was certainly recognized to have been a successful launch. The system is working. All 94 local distribution companies are market-ready. As you can appreciate, this past summer was the ultimate test for the province. According to Environment Canada, it was the hottest summer in nearly 50 years, and the weather continues through September and even into early October to be unseasonably hot. We do notice that the changing of the leaves is a little bit later this year, as another example of that reality.

We set all-time electricity consumption records on July 17 and August 13, and peak demand also exceeded 20,000 megawatts 36% of the time in July. There's no question it stretched our system to the max, yet it delivered for the people of Ontario. I should underline that our employees did a great job in keeping the lights on and the air conditioners running.

Despite the heat wave, the average wholesale price since market opening from May 1 through September 29 has been 5.7 cents per kilowatt hour, compared with 4.3 cents per kilowatt hour before the market opening.

We fully expected that the price would fluctuate, with higher prices during the extreme heat of the summer. However, you can't take record-breaking months like July and August in isolation. They can't be held up as benchmarks for the price of electricity in Ontario. Over

the course of the year, the temperature will go down and demand will go down, and I believe price will go down. I believe that in the long term, because we now have a competitive electricity market, consumers are going to enjoy prices considerably lower than they would otherwise have been. For example, York University professor Fred Lazar has estimated that prices over the next decade will be \$3 billion to \$6 billion less than they would have been under the old monopoly.

Let me turn now to the vision I spoke of a few minutes ago. We intend to forge an electricity system that fosters, not hinders, economic growth. That means we absolutely must have a competitively priced, safe and reliable supply of electricity, and an environmentally sustainable energy industry in the province.

As you know, the Independent Electricity Market Operator, the IMO, released its latest 18-month forecast on September 24. I have a copy here. The next 18-month outlook does caution when we talk about reserves. In the report, under the section on page eight of 31, the overall adequacy of energy production capability, it reads:

"The energy production capability is generally expected to be well above energy demand levels in each month of the outlook period under both the reference resource scenario and the delayed resource scenario. No additional energy is expected to be needed to meet the Ontario forecast energy demand."

I don't present the IMO to be the Holy Grail in this area, but they are the independent operator of the market that is able to make independent determinations, and they are certainly a good guidepost in this regard.

Now, of course, the logical question would be, what if we have another summer like this past summer, the hottest in 50 years? Won't that force us to import power to meet demand? In fact, we've been importing and exporting power in the province of Ontario for many years. It's certainly not something new, and it can work to our advantage. It gives us a safety net during sharp spikes in demand.

I realize the IMO has raised some concerns about our reserves, and I want to say very directly to the committee, to the entire Legislature and the people of Ontario that as minister I take those concerns very seriously. That's why our government is promoting the development of new sources of generation, including green power.

To date, we have seen \$180.9 million in new investment in the waterpower industry. In fact, nine waterpower projects are currently being built or are on the drawing board here in Ontario. In December of last year, a 660-kilowatt privately owned wind turbine began operating in Huron county, and construction has begun on a 750-kilowatt wind turbine at the CNE here in the city of Toronto. Those are small steps, but every long journey begins with a few small steps.

TransAlta has begun construction on a 490-megawatt natural gas-fired plant in Sarnia, which is expected to come on stream in 2003. ATCO and OPG are partners in another natural gas-fired plant in Windsor, which, when



completed in 2004, will produce 580 megawatts. I notice the funding was just put in place for that yesterday, which was positive news.

The bottom line is that the IMO does not expect electricity shortages in the province at any time during the 18-month period from October through March 2004, or beyond.

As you know, OPG is working hard to bring several of our nuclear units back on line, including those at Pickering A and those being refurbished at Bruce.

On my first full day on the job, I took the opportunity to visit Pickering A and to get a briefing on the important work that's being done there. Obviously, the government—and I in my capacity as minister—is disappointed that the return of the Pickering A nuclear units is taking longer than expected. I would be dishonest if I didn't say that. But I think it's important that we not compromise safety in the completion of that important work. Our government's and OPG's overriding priority is the health and safety of the public and its employees, and OPG is taking appropriate steps to comply with all the nuclear safety standards.

**The Vice-Chair:** Two minutes, Minister.

**Hon Mr Baird:** I'll move to consumer education. I'd like to point out that throughout the entire restructuring process, the ministry has been extremely active in informing and educating Ontario's electricity consumers about changes. In the past year alone, the ministry distributed hundreds of thousands of copies of its information brochure, placed ads in newspapers, ran a TV ad for several months and, in collaboration with a number of other organizations, placed an information supplement in the *Globe and Mail* this past March.

As well, last fall and winter, ministry staff undertook a gruelling schedule of town hall meetings to explain the new market to people in Thunder Bay, Timmins, Sault Ste Marie, and a large number of other towns and cities across the province. We will be continuing these and similar activities as long as the need exists.

Finally, let me say that I am more than pleased with the progress we've made so far. Much work remains to be done. I think that the market opening on May 1 was both a conclusion of work that had started with the MacDonald commission and through Bill 35 and through the work of the market design committee and through the efforts of the ministry and the OEB and countless others, including staff at OPG and Hydro One, but it's very much a beginning. We don't have a competitive marketplace in Ontario. I think we need to seek additional investment and generation and we must make progress on decontrol. I believe that's absolutely essential if we're to have an open market. I look forward to the opportunity to discuss these issues with you, Mr Chair, and with members of the committee.

**The Vice-Chair:** Thank you very much, Mr Minister. Mr Conway, 15 minutes.

**Mr Sean G. Conway (Renfrew-Nipissing-Pembroke):** Thank you very much, Mr Chairman and colleagues. Minister, I certainly want to agree with you in your com-

ments about the quality of your staff. I know some of them, and they're, particularly the ones flanking you at the moment, very bright and hard-working, competent public servants. I just want to say some things today because I probably will not be here for some of the remaining parts of these estimates. I want to quickly cover a number of items, some of which you've talked about.

But I am reminded: I think, I say to my friend O'Toole, it was in this room that we did Bill 35, and as I remember, the debate four years ago around Bill 35 was essentially this. I was one of the ones who I thought in a fairly bi-partisan and ecumenical way said there's a real problem here. There's a very serious problem of a greater intractability than any of us wants to admit to, and there are no easy solutions. At any rate, the deal was, "Pass this Bill 35 and we are going to reduce rates and improve service." Well, a bit like Ronald Reagan in 1984, I'm inclined to say today to the farmer in Norfolk county I spoke to a few moments ago, to the small business person, to the residential consumer: is your hydro bill lower and is your hydro service better today than it was 12 or 24 months ago?

I think I know the answer to that. Far too many people, far too many Ontarians, residentially, industrially and commercially, are getting bills that are a real jolt. Yes, Minister, you are right: we have an open market and it is true that we had an uncommonly hot, dry July and August, and the commodity price in an open market shot up dramatically. But I remind you that only 45% of your bill is the commodity charge. In the last three or four years, as a result of Bill 35, we the government of Ontario have larded on to the electricity bill hundreds of millions, billions of dollars of new taxes and special charges. Hydro One alone has paid I think nearly \$2 billion worth of new charges in the last four years: corporate taxes they didn't pay before; full property taxes; dividends, to name but three of the new charges. They're not small potatoes.

Yes, I agree, Minister, that in the September-October-November-December period—I suspect that the commodity price is going to come down. In fact, I would make a small wager that it will and that it will come down significantly. We happen to have had a particularly wet, cool May and June. The first four months of this open market have been bizarre because May and June were really cool and wet. July and August were just the reverse. So you've got two polarities there that are atypical. But the fact of the matter remains that we have 50% or more of the bill that has nothing to do with the commodity cost. We, the government of Ontario, the Legislature of Ontario, have imposed substantial new taxes, special charges and other costs on to the hydro bill that people are noticing, and those bills are not going to go away just because you've established a competitive market. And I don't believe we have a competitive market in generation, actually; we have it notionally but we certainly don't have it, by any stretch of the imagination, to date.

I remember—and I think it was Bagehot in his famous piece about the British Constitution; I feel like Bagehot's description of the British monarchy 100 years ago. The Queen or the King, he says, really has two functions: you can be advised and you can warn. That's really all I feel I've got a capacity to do. I look at this situation and say to myself, "What was the problem we set out to fix?" The problem was in generation. We have one hell of a problem on the supply side that is going to admit to no easy solutions.

What the hell did our company, Hydro One, go out and spend: \$600 million or \$700 million or \$800 million worth of borrowed money to buy 90 utilities, large and small, and pay a premium of 30% to do it? How was the policy that was announced four years ago aided and abetted by spending a quarter of a billion dollars' worth of borrowed money to buy Brampton Hydro and 85 or 90 like it? We let that happen.

1740

One of the things I can say, as I take my leave from this place after nearly three decades, and it didn't seem to matter who was in government, is the government announced one hydro policy, and Hydro pursued a rather different policy, sometimes 180 degrees at odds with the announced government policy, sometimes 150 degrees, sometimes absolutely, abjectly antithetical. I look at that Hydro One fiasco of the last two or three years and say to myself, "What has changed?" I've got some sad news for you. You are going to be out shedding some of that stuff in the next two or three years because rate pressure and public pressure around terrible service are going to force us to do it. You're going to be selling at a substantial discount from what it is you paid. But what was that all about? How did that happen?

I don't want to even get into the mess that occurred this spring around the executive suites, particularly at Hydro One. We know less about the Hydro successor companies today than we knew about the old Hydro five years ago, and we didn't know a hell of a lot about it until many years after the fact. I was astonished to find out that there was a reactor at Bruce that was down for the entire summer. By the way, as far as I can tell—and I've been looking at the Bruce Power Web page—there seems to be a lot of confusion in the Legislature and in the public press as to what happened. I'd like somebody to give me an answer.

According to the Web page at Bruce Power, that reactor was taken down for regular maintenance in March. I expect, although I don't know, that reactor was probably expected to come back into service for the peak demand season of June, July and August. But it didn't because they had an accident of some kind on or around June 11. What did we read the other day—and the fact that we lost 800 megawatts of domestic capacity as we headed into the kind of summer that the minister rightly described was a very material event. We had to go and find replacement power for that. The uplift charges for paying those bills, when they arrive, on residential and industrial bills, are going to be interesting. I don't exactly

know when they're going to arrive. I guess some of them have already arrived. But we didn't seem to know much about that. You didn't, Minister. Your predecessor didn't know. As I say, even the press reports are rather confusing.

My first question was, was this an effort to game the market? I don't think it was. But I'll tell you, when you've got such a tight supply-demand situation and you all of a sudden start to lose capacity at timely points like peak demand, one of the first questions you ask yourself in this kind of a market is, is somebody trying to game the market? My instinct is that that was not the case here. I don't know. I'd like to know.

I see on the front page of the New York Times the other day El Paso was convicted by some kind of a federal administrative court of the United States of gaming the gas market in California. El Paso is a big player. You've got to be on the lookout for gaming. We know now two things about Bruce Power—and it's no secret I've supported in principle what the government has tried to do there, not because it was a first or second choice, but because I thought, quite frankly, it was the only realistic choice we had, and I think my friend from Durham will probably agree upon recalling the evidence we had here four or five years ago on that select committee.

But what do I know now that I didn't know a couple of months ago? I know two things. We were heading into a market that was going to be very tight. We hit record demand this summer, more than once over 25,000 megawatts and I gather, Deputy, that there were days and periods when we had to import up to 4,000 megawatts of electricity to keep the lights and air conditioners of Ontario on. That's a dramatic development. It's too bad my friend Hampton's not here, because the giant sucking sound was not the Americans sucking the juice out of Ontario; we were sucking the juice out of the Ohio valley. That was the story this summer.

But I know two things. Now I know that in the late spring of this year, British Energy was in hemorrhage, a very serious financial hemorrhage with the parent company of Bruce Power. Secondly, there is a serious problem with domestic capacity at Bruce for, apparently, a good and honest reason: there was an accident on June 11 or thereabouts. I've got to tell you, I'm from Missouri and I'd say to myself, I want to know and the electricity consumer of Ontario needs to know much more quickly and completely what's going on, because you have to be concerned that there might be some gaming going on. As I say, I am astonished at how little we seem to know about this market. It gives me no comfort when I hear responsible ministers of the crown saying, "I found out about it when I read it in the Star the other day," which is, I think, what Stockwell was telling us. That's a serious issue, a very serious issue, and we're going to have to find ways to deal with that.

I know my time is going to quickly run out, but there are a couple of other things I want to talk about. Minister, you're from Ottawa. I presume you saw the Ottawa



Citizen. You were questioned about this yesterday, and I don't expect that you are going to tell me everything I want to know at this point. The three-page feature article in the Ottawa Citizen on Saturday by Messrs Dimmock and Greenberg is a deeply troubling story. Two of my constituents were killed at High Falls near Calabogie on Sunday afternoon or Sunday morning of June 23 in a truly unbelievable accident. As tragic as that was, we were very lucky that there weren't many, many more fatalities on that day at that place. These two Citizen reporters have gone in and done some detailed work. The leader of the third party asked you some questions yesterday. I guess I want to know two or three things. One, when is that OPP police investigation about what happened at High Falls on June 23 going to be completed?

**Hon Mr Baird:** Would you like me to answer?

**Mr Conway:** Yes.

**Hon Mr Baird:** To address your question, I can't as a minister, as a political participant in our governmental process, know when the police, who act at arm's length from the government, are about to complete an investigation. I think they make that determination, properly, as the appropriate authority, on how long they need to undertake an investigation. I'm uncomfortable even with the notion of inquiring. Certainly, as the minister who reports to the Legislature on behalf of OPG, which itself could very well be under investigation, I think is—

**Mr Conway:** Well, all right. I appreciate that. I'm just going to say that any fair-minded person who reads this—a beautiful woman and her 7-year-old child were killed in circumstances that are horrifying. They were out on a sunny afternoon in a place where, for decades, people have enjoyed the recreational opportunities there. They were hit with a tsunami that you couldn't have imagined possible. A lot of my constituents, many of whom have worked at Hydro for decades, have told me they have no memory of anything remotely like this ever happening. I read in this story reports based on some pretty interesting and apparently reliable insider information at OPG that there was some kind of new computer system, whereby even if there was somebody at that generating station that afternoon, they would not have been able to have overridden the new computer system that effectively, according to this story, led very directly to the deaths of those two people and the potential death of scores more.

I don't want to be over the top on this, although I'll tell you my constituents in the Calabogie area are really upset and very concerned. I have been around this debate longer than you have, Min

ister, and I thought I had heard it all. But I had never heard anything about the possibility of a new open

market, which I support and I also support the utilization of as much hydroelectric power as we can possibly develop and manage in Ontario, for all of the economic and environmental reasons. But nobody but nobody had ever said to me in the months and years that I've been around this debate, "You know, if you open the market, you run the risk of generators, of owners and operators of these hydroelectric stations totally changing the way in which these river systems are managed." That is certainly what appears to have happened on that day on the lower Madawaska in late June.

I read in the Sault Ste Marie Star of a similar situation in the Algoma district, where at another generator, the water fluctuations are wildly out of anything they've experienced in the past 30 or 40 or 50 years. An open market, yes; but it's got to be done safely. And I want to say as I conclude that I don't think the government of Ontario has done a very good job of informing the consuming public of Ontario what is actually going to happen, what is actually their entitlement, what is actually their responsibility. We unleashed a bunch of unscrupulous marketers—they weren't all bad, but there were far too many of them who were bad—who went out in places like Prescott-Russell and most other places in the province and harassed the hell out of people, particularly senior citizens, signed up tens of thousands of them to boondoggle contracts, and months after it all happened, we come along with some information in the Globe and Mail and in handouts. Not good enough.

Finally, before this is all over, I say to you and everybody in the Ontario government that what was done at Calabogie I think is a serious dereliction of duty. I want not only a police investigation, but I want to see that police investigation concluded as quickly as possible.

I've got to tell you, I fully expect that a coroner's and perhaps a more general inquiry ought to be held. I hear from people who are well-intentioned, many of them very close to Hydro, and others, that what happened at High Falls that day should never have happened, and the public interest was not well served nor public safety well protected by those who are in positions of responsibility to do so.

**The Vice-Chair:** Thank you very much, Mr Conway.

As you can see, that is the time for the NDP, with their 15 minutes. We can do one of two things: we can move to the Conservatives, which is only a matter of about six minutes, or we can adjourn until next Tuesday, immediately after routine proceedings.

**Mr Mazzilli:** I move to adjourn.

**The Vice-Chair:** You move to adjourn. We stand adjourned until Tuesday.

*The committee adjourned at 1751.*











# CONTENTS

Wednesday 2 October 2002

<b>Ministry of Education</b> .....	E-137
Hon Elizabeth Witmer, Minister of Education	
Ms Suzanne Herbert, deputy minister of Education	
Ms Kit Rankin, director, curriculum and assessment policy branch	
Mr Grant Clarke, director, secondary school project	
Mr Alex Bezzina, project leader, special education project	
<b>Ministry of Energy</b> .....	E-150
Hon John Baird, Minister of Energy	

## STANDING COMMITTEE ON ESTIMATES

### Chair / Président

Mr Gerard Kennedy (Parkdale-High Park L)

### Vice-Chair / Vice-Président

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gilles Bisson (Timmins-James Bay / Timmins-Baie James ND)

Mr Ted Chudleigh (Halton PC)

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gerard Kennedy (Parkdale-High Park L)

Mr Frank Mazzilli (London-Fanshawe PC)

Mr Norm Miller (Parry Sound-Muskoka PC)

Mr John O'Toole (Durham PC)

Mr Steve Peters (Elgin-Middlesex-London L)

### Substitutions / Membres remplaçants

Mr Michael Bryant (St Paul's L)

Mr Sean G. Conway (Renfrew-Nipissing-Pembroke L)

Mr John Hastings (Etobicoke North / -Nord PC)

Mr Rosario Marchese (Trinity-Spadina ND)

### Clerk / Greffier

Ms Susan Sourial

### Staff / Personnel

Mr Jerry Richmond, research officer

Mr Larry Johnston, research officer

Research and Information Services

C420N  
XC26  
-E77



E-7

E-7

ISSN 1181-6465

**Legislative Assembly  
of Ontario**

Third Session, 37<sup>th</sup> Parliament

**Assemblée législative  
de l'Ontario**

Troisième session, 37<sup>e</sup> législature

**Official Report  
of Debates  
(Hansard)**

Tuesday 8 October 2002

**Journal  
des débats  
(Hansard)**

Mardi 8 octobre 2002

**Standing committee on  
estimates**

Ministry of Energy

**Comité permanent des  
budgets des dépenses**

Ministère de l'Énergie

Chair: Gerard Kennedy  
Clerk: Trevor Day

Président : Gerard Kennedy  
Greffier : Trevor Day



### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Copies of Hansard**

Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

### **Exemplaires du Journal**

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.





## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Tuesday 8 October 2002

Mardi 8 octobre 2002

*The committee met at 1531 in room 228.*

## MINISTRY OF ENERGY

**The Vice-Chair (Mr Alvin Curling):** We shall resume the hearing of estimates for the Ministry of Energy. When we adjourned last time, the Liberals had completed their 15 minutes. Mr Hampton, you have 15 minutes.

**Mr Howard Hampton (Kenora-Rainy River):** Thank you very much, Chair. I look forward to this opportunity to ask some questions of the minister.

I note that the last minister was with us for about five months, so I hope this minister lasts a bit longer.

**Hon John R. Baird (Minister of Energy, minister responsible for francophone affairs):** I appreciate that.

**Mr Hampton:** Can you tell me, Minister, has Ontario Power Generation withdrawn its Ontario Energy Board application to reduce the hydro rebate?

**Hon Mr Baird:** In terms of reducing the hydro rebate, I guess I don't share your choice of words. The market power mitigation agreement was there to act as a protection valve, I suppose, for consumers against OPG's market share. So right in OPG's operating licence, as advertised, it would be based on the market share that OPG has. So with the commitment that they also have in their licence to go down to 35% of market share, obviously depending on how quickly they do that, the mitigation agreement is there for the first four years. So I just don't share your conclusion with respect to the word "reduce." It's going to go ahead exactly as advertised.

**Mr Hampton:** Just so we can be clear, Ontario Power Generation has leased the Bruce nuclear facility to British Energy, as wise or unwise as that may have been, and they've sold four hydro dams and generating stations to Great Lakes Power, otherwise known as Brascan. The question I'm asking you is, under the mitigation clauses, as we understand it, they would in effect get credit for the privatization of those assets and would be permitted to reduce the rebate according to how much generating capacity they've sold off. Is that still the case?

**Hon Mr Baird:** I don't determine what is decontrolled; the Ontario Energy Board has that authority. I guess they're seeking guidance from the Ontario Energy Board on that issue.

**Mr Hampton:** Just so we can be clear, isn't it the case that Ontario Power Generation is going to the Ontario

Energy Board and is saying, "We have leased the Bruce nuclear facility. We have sold off four hydro dams on the Mississagi River. In other words, we are seeking the approval of the Ontario Energy Board that these generating stations have been decontrolled and therefore the amount of the hydro rebate should be reduced accordingly." Isn't that what their application is all about?

**Hon Mr Baird:** The rebate hasn't yet been established, because it's a rebate that will be done depending on its market share. So this won't come as a surprise: I don't share your use of the word "reduced."

**Mr Hampton:** Let me go back and ask the question again: has OPG withdrawn their application to the Ontario Energy Board or not? Surely you must know the answer to that. Yes or no?

**Hon Mr Baird:** My belief is that they have an application before the Ontario Energy Board to make a determination on control so that the rebate, at least this year, as it would next year and in year 3 and year 4, would be established.

**Mr Hampton:** Would be determined.

**Hon Mr Baird:** Yes.

**Mr Hampton:** In other words, they want credit for the privatization of those assets so the overall amount of the rebate can be reduced.

**Hon Mr Baird:** I'll repeat this a hundred times, if you like: the rebate has not been established, so to say it would be reduced, in my opinion, is not the appropriate word. The rebate amount has not been established. It's established based on the market share that Ontario Power Generation has. Ontario Power Generation will request that the Ontario Energy Board make a determination whether that is decontrol, and the rebate would then proceed exactly as it was intended and advertised.

**Mr Hampton:** Let me ask you the question another way: are you in favour, yes or no, of Ontario Power Generation getting credit for its privatization, its lease of the Bruce nuclear station to British Energy and its sale of the four hydro generating stations to Brascan? Are you in favour of Ontario Power Generation getting credit for those transactions in terms of the determination of what the rebate will be?

**Hon Mr Baird:** If there's a matter before the Ontario Energy Board, a quasi-judicial body, I suppose if I answered that affirmatively or negatively you might have some comments on that.

**Mr Hampton:** All right. We'll return to this at a later date.

**Hon Mr Baird:** I look forward to it.

**Mr Hampton:** The Market Surveillance Panel says we will still be short of power even if Pickering A and Bruce A come back in time. What's your government's plan to get us more power by next summer?

**Hon Mr Baird:** What page of the report, if I could ask? It's 140 pages, and I noticed you had a press conference commenting on it 30 minutes after it was released. It's 140 pages. They've spent a considerable amount of time and expertise. I would assume you came to conclusions before reading the report, unless you possess some powers I'm unaware of. I'd ask which page of the report you are referring to, or did you just read the executive summary?

**Mr Hampton:** Just for ease, so that others can refer to it, I'll refer you to page 4 of the executive summary, "Pickering and Bruce nuclear units."

**Hon Mr Baird:** Have you read the report?

**Mr Hampton:** In fact I've read quite a portion of the report.

**Hon Mr Baird:** But not all of the report.

**Mr Hampton:** I'd be happy to go through it in detail with you.

From page 4 of the executive summary: "As noted above, returning Pickering and Bruce units to service will help alleviate the problems experienced this summer. However, there is considerable uncertainty in the market about when these units will return—based, in particular, on a history of unmet expectations regarding Pickering. It would be desirable if OPG and Bruce Power could provide regular updates to the marketplace on progress towards bringing these units back to service."

**Hon Mr Baird:** That's not what you just said, though.

**Mr Hampton:** No, this sort of gets us down the road I want to go.

**Hon Mr Baird:** This is something else, though. It's not what you just said.

**Mr Hampton:** Are you prepared to demand—

**Hon Mr Baird:** That's not what you just said. I asked you to quote me the section of the report, and you didn't quote it; you can't find it, I assume.

**Mr Hampton:** Are you prepared to demand that OPG and Bruce Power provide the people of Ontario with regular monthly updates as to what progress they're making toward bringing Pickering A and Bruce A back on line?

**Hon Mr Baird:** That's a complicated question, and I'll maybe answer it with respect to Bruce and then Pickering. Bruce has been, at least to the Bruce Power Co, a group made up of not just British Energy and Cameco—Cameco, you will recall, was a big donor to your party in the last election, donating the maximum to your party—and the two unions that work at Bruce Power. Obviously, they have some commercial interests that they may or may not deem publicly advisable. I know the independent market operator does updates every six months, and those are released publicly.

With respect to Ontario Power Generation, I would be dishonest if I said I was not concerned about the entire project. On my first full day on the job I tried to underline the priority I accord to the start-up of the four reactors at Pickering A by visiting myself, seeing some of the work first-hand and talking to the staff and folks there. It's certainly something I continue to try to watch closely.

**1540**

**Mr Hampton:** The Market Surveillance Panel points out that while your government boasts about 5,800 megawatts of new construction projected to be on stream in 2005, only 1,000 megawatts of new construction will be on stream. In fact, there's a sizable problem here between what your government talks about and what will be available. They point out: "If steps are not taken to address the situation, Ontario could face even more serious reliability problems next summer, leading to the possibility of supply interruptions and continued upward pressure on prices during periods of peak demand." So I'll ask my question again: you keep talking about 5,800 megawatts of new—

**Hon Mr Baird:** Are you saying "you" to me personally?

**Mr Hampton:** Your government. I heard the Premier spout off a few projects today that I know are not proceeding. They're not happening. They're not going to be on stream by next summer; they're not going to be on stream by the summer after that. I'm asking you, as the Market Surveillance Panel pointed out, what are you going to do to bring this power on-line for this summer?

**Hon Mr Baird:** Which page are you referring to in terms of summarizing the Market Surveillance Panel?

**Mr Hampton:** Page 2 of the executive summary.

**The Vice-Chair:** I know both of you are talking about a report. I have no report in front of me. You went back and forth. Is this report tabled here?

**Hon Mr Baird:** No. This report was released yesterday at 4 o'clock. It's a new report.

**Mr Hampton:** Maybe you could table it now.

**Hon Mr Baird:** It's available on the Internet.

**The Vice-Chair:** You're talking about it at length, and I don't have the report here. Are you prepared to table this report?

**Hon Mr Baird:** Certainly. I have one copy with me. It was released yesterday at 4 o'clock.

**Mr Hampton:** Could we ask your staff to make some copies available now?

*Interjection.*

**Hon Mr Baird:** I think he's only read the executive summary, so you can save the 140 pages.

**The Vice-Chair:** It's just that you're going on and on continuously about this—I don't mind entertaining one or two questions.

**Hon Mr Baird:** My colleague and friend was summarizing the report. I just wanted to help him ensure the accuracy of his summary.

**Mr Hampton:** It would help if you would answer the questions.



**Hon Mr Baird:** OK. On page 2 you were referring to?

**Mr Hampton:** The bullet point: "There is a serious shortage of generating capacity to meet Ontario's growing demand for electricity." And then the next paragraph, below the shaded box, refers to the fact that "Additional generating capacity will ... be required and at the moment only about 1,000 megawatts of the additional 5,800 megawatts of new construction projected to be" on-line "in 2005 is in fact under construction."

I heard the Premier today refer to proposed new generating facilities that aren't going to be on-line, not next summer, not the summer after. I'm asking you, what is your government going to do to alleviate the problem of supply, the shortage of supply that's been identified by the Market Surveillance Panel?

**Hon Mr Baird:** Firstly, to deal with the direct issue of generation capacity and our access to electricity: I take the report seriously, and I think it's important that we get more generation on-line. I support getting more generation on-line. It's something I identified in my first week on the job that's got to be an important priority.

The first bullet you referred to says, "There is a serious shortage of generating capacity to meet Ontario's growing demand for electricity." As we go into the future—2005, 2007, 2010—and the economy continues to grow and create jobs, there will be an increased demand for electricity and we'll need more power. I embrace that statement and wholeheartedly agree with it.

With respect to 2005—that statement did not have a date on it—there are two facilities, Brighton Beach and one in Sarnia, I think it's the TransAlta facility, which I think are already under construction.

**Mr Hampton:** That's your 1,000 megawatts.

**Hon Mr Baird:** And some wind projects as well, at the Exhibition grounds in Toronto and in Huron county, so there's some additional capacity there. I just talked to an energy company in recent days that has put forward and spent substantial amounts of funds to date and could have capacity coming on-line in the summer—I don't know whether they will choose to proceed with that. I do know as well that we've got four units at Pickering A and that we hope to be bringing unit 4 on-line in short order.

**Mr Hampton:** Would you want to name that company, the one you were just referring to?

**Hon Mr Baird:** I don't think it's my place as Minister of Energy to—

**Mr Hampton:** We actually talked to Sithe. As you know, they were originally talking about two gas-fired plants, one in Brampton and in Mississauga. They indicated just this week that not only have they not begun construction; they haven't even made a decision about whether to begin construction.

We also talked to TransAlta, who said that after the plant in Sarnia, they will not be building anything more in Ontario until they can figure out exactly what direction your government is headed in.

**Hon Mr Baird:** The firm to which you referred I think is looking at natural gas turbine generation. Some in that sector have said the price of electricity in the

province of Ontario is too low to make that commercially viable, so I suppose there will be some which will have that view.

**The Vice-Chair:** Thank you, Mr Minister. Mr Miller, 15 minutes.

**Mr Norm Miller (Parry Sound-Muskoka):** Minister, welcome today to estimates. You've had a busy day. You're doing a great job as the new energy minister, grappling with these very difficult issues in such a short time.

I have a question from my riding to do with locational marginal pricing. The council of Parry Sound passed a resolution inquiring about locational marginal pricing. I'll just read part of that so I can get some information on it. This is the actual resolution. It says:

"Whereas the Independent Electricity Market Operator is proposing to implement a system of zoned rates for electricity (known as 'locational marginal pricing,' or LMP); and

"Whereas the implementation of LMP for electricity rates will see a new pricing system that will charge consumers according to where they live; and

"Whereas the implementation of LMP could see consumers in northern Ontario and other rural areas of the province paying higher rates than consumers in urban areas of southern Ontario; and

"Whereas the implementation of LMP could be counterproductive to the growth of jobs and economic development in the north and contrary to the goals of the Smart Growth initiative as it applies to northern Ontario;

"Now therefore be it resolved that the council of the town of Parry Sound hereby calls upon the government of the province of Ontario not to approve the implementation of an LMP system for electrical rates; and

"Further, that copies of this resolution be forwarded to" various people, including myself. That's why I happen to have a copy of it.

I'm wondering about locational marginal pricing, especially as I represent a northern and rural riding and as I am the parliamentary assistant to the Minister of Northern Development and Mines. I'm just wondering what's happening to do with that question.

**Hon Mr Baird:** Sure. The independent market operator is currently doing a study to look at the effect of locational marginal pricing and what effect that would have on a particular region of the province. I wouldn't want to prejudge their examination of that issue. That will involve collecting data on their part, and they'll be reporting back, I think, in about a year's time. Decisions will be made once we have the facts.

There are some communities, if they've got an excess of power in their region—this would be if there's an excess of power in some parts of the province that would like to see the benefits of that, particularly in parts of northern Ontario where they don't use all the power that's there. Obviously, there's more power in the Huron-Bruce region than there would be in the Mississauga area, for example. I guess it would be important to get the facts first, and then to let the IMO go forward with that



study. I don't think there's any commitment to move forward with it.

Is that fair?

**Dr Purchase:** That's right.

**Hon Mr Baird:** There's no commitment to move forward with it. I don't think there's any particular, at least on my part, decision or conclusion that I've drawn, whether I think it's a good idea or a bad idea. I think it's probably best to get the facts first and then make a determination second.

If you're an auto plant in Durham region, you might think it's a great idea, but if you're in the west end of the GTA or in some parts of the province, you may not like it.

1550

**Mr Miller:** Thank you for that answer.

I've had numerous calls from constituents. In particular, I was talking with an elderly gentleman in the rural part of my riding who was unhappy with his recent hydro bill, and in particular the service charges on the hydro bill. His hydro bill was smaller than most I've seen. He was saying his bill had gone up 50%; he said it went from \$65 to \$85. I was thinking as he was saying that, "Boy, I haven't seen too many hydro bills that are that low." But there have been constituents concerned, and some articles in the media in the Almaguin area, certainly, to do with service charges charged by the local utilities. Have those service charges increased in recent months? That's part A of the question.

The second part is that this gentleman with whom I was speaking was saying, "Well, if my bill has gone up 50%, from \$65 to \$85, that's because of all the extra charges you're putting on." I was saying, "Well, no, it's not extra charges. The bill is broken out now, showing you things that you previously didn't see." Could you talk about that a bit?

**Hon Mr Baird:** We have moved to what you might describe as an unbundled bill. That would involve a number of things, not just generation but transmission charges, distribution, both fixed and variable, the IMO uplift charge, and the debt retirement charge. These would all have been services which consumers and customers would have paid for in the past. Obviously, Ontario Hydro was servicing their debt before the market opening and before bills were unbundled.

Obviously, generation prices went down in May and June. They went up in the summer months, when we had the hottest summer in 50 years. Local distribution companies, LDCs, in some cases—in part of your constituency that might be Hydro One itself; in my part of the province it would be Ottawa Hydro; here in the city of Toronto it would be Toronto Hydro—not always but generally publicly owned, have seen increases, have applied to the Ontario Energy Board for increases. So on occasion there have been some, yes.

**Mr Miller:** My last question—I know Mr O'Toole is chomping at the bit, ready to ask a question—has to do with supply, which seems to me to be the key item in terms of keeping energy prices low for consumers in the

province, making sure we have an adequate supply of electricity. Do you want to talk about that a little bit?

**Hon Mr Baird:** The Independent Electricity Market Operator does an 18-month outlook. Their latest report, brought out in September of this year, stated, "The energy production capability is generally expected to be well above energy demand levels in each month of the outlook period.... No additional energy is expected to be needed to meet Ontario's forecast energy demand."

There was obviously a problem with one of the reactors at Bruce B this summer. There is some additional capacity under construction right now. I think we did have the hottest summer in 50 years, and that's obviously a huge concern. When the heat goes up to record levels right across the province of Ontario, a substantial number of people put on their air conditioners, and that has a huge effect. This fact, probably together with the huge job increases we saw in May, June, July and August across the province, led to more demand for electricity.

We need more supply; there's no doubt about it. When we are cleaning up the problems that went unchecked with eight of the reactors in our nuclear generation capacity—those problems built up, to be fair, under the governments of all three parties. We're tackling those problems. Obviously, when you have eight nuclear reactors off and we're doing things that should have been done years ago, there's going to be an issue with respect to supply.

**Mr Miller:** So part of our problem has been that the economy has been booming. We have increased demand because the economy is doing so well.

**Hon Mr Baird:** That's an issue, yes.

**Mr Miller:** That's kind of a good problem. But is there other new generation coming back on-stream?

*Interjection.*

**The Vice-Chair:** Mr Mazzilli?

**Mr Frank Mazzilli (London-Fanshawe):** Minister, certainly I want to talk about the debt retirement charge, if we could, for a moment. You said that was on the old bill previously. So was that debt servicing or debt retirement on the old bill?

**Hon Mr Baird:** Ontario Hydro—the old Ontario Hydro before it was broken up—would have to service its debt. I couldn't go back through the 1960s, 1970s and 1980s. In my time in the Legislature, in some years they've paid down some debt; in other years they've simply had to service it.

**Mr Mazzilli:** But this debt we're talking about is some \$30 billion?

**Hon Mr Baird:** It's \$38 billion. The stranded debt is \$20 billion.

**Mr Mazzilli:** So the debt retirement charge is now amortized over what period of time, this \$38 billion?

**Hon Mr Baird:** I think we're looking at 10 to 17 years, depending on conditions.

**Mr Mazzilli:** That's a pretty aggressive plan. That's where I'm going on this. A 12- to 17-year amortization on any mortgage can have a hardship on some people.

What's the formula on who retires what portion of the debt? Does it go by consumption?

**Hon Mr Baird:** It's consumption-based, yes. It's based on the kilowatt hour.

**Mr Mazzilli:** If you have a large business that consumes more than a homeowner, the burden to retire this percentage of retiring this debt. Would that be correct?

**Hon Mr Baird:** Can you repeat that? Sorry.

**Mr Mazzilli:** If you have a large business that consumes more than a homeowner, the burden to retire this \$38-billion debt is enormous on that business.

**Hon Mr Baird:** It's certainly based on kilowatt usage so, by extension, if you use more kilowatt hours, obviously you'll pay more.

**Mr Mazzilli:** I'm concerned about that because we're trying to attract new industry to the province—we've reduced taxes—we've got a \$38-billion debt accumulated over three parties. I don't want to say who did it. But now we're saying—

**Mr Hampton:** Who built the nuclear plants?

**Mr Mazzilli:** We're here today. Forget who did it. We happen to be here. We have a \$38-billion debt. We're going to pay this mortgage at a rate which is pretty aggressive, and we're going to put the burden on the consumption side, not the population side. It reminds me of putting new taxes on the Bay Street office buildings. I have some concerns with that. I just want you to know that as Minister of Energy.

**Hon Mr Baird:** Message received.

**Mr John O'Toole (Durham):** I appreciate the opportunity, Minister, to put on the record some concerns. Obviously, we've heard Howard relentlessly speaking on this issue over the last number of months, but it is a situation. If I go back and look at the old monopoly structure from 1906, the theory of power cost and how that got us into the dilemma that you've just described—which was really the \$38 billion of debt that we keep talking about. If I look at the summary, as I understand it—I'm just trying to verify these numbers and put them on the record—the debt and financial restructuring is as follows: Ontario's hydro total debt and other liabilities: \$38.1 billion. That's been assigned as a sort of debt equity to OPG, Hydro One and the independent market operator. The net present value of dedicated revenue streams that are going forward are in the amount of \$20 billion. Then there's the actual value of that, which is reduced by \$13 billion.

What I'm trying to get to here is the residual stranded debt. That's the debt that's not supported by assets or assets that can generate revenue, the net present value issue. Is the 0.7 cents per kilowatt debt servicing charge going to address that? Is the \$7.8 billion the residual stranded debt? That's not dealing with all the other debt that's been spread over the actual revenue side. We did have assets. Hydro One had assets, which were wires and towers and all the rest of it. What I'm saying is that the 0.7 cents is actually supporting the stranded debt, which is \$7.8 billion, as I understand it.

**Hon Mr Baird:** That's correct. There's a revenue stream, there's the stranded debt, and I suppose you could be more focused with residual stranded debt. The stranded debt would be in the neighbourhood of \$20 billion—\$20.9 billion.

**Mr O'Toole:** It's \$20.9 billion.

**Hon Mr Baird:** There's a revenue stream from payments in lieu and from taxes for local distribution companies for Hydro One, for OPG; a revenue stream within that present value to service about \$13.1 billion, and then the debt retirement charge on \$7.8 billion.

1600

**Mr O'Toole:** I think you've answered my question, because we've known for some time that there were continuing ongoing investments required to support those capital money generators or electricity generators. Now we're stuck with the argument, is this a supply problem or a demand problem? We're making the short-term conclusion that it's a supply problem.

I just want to clarify it. You said earlier in your comments that the IMO had recognized there's 18 months of guaranteed supply capability in the system today. I just want to go on the record here as saying that it's my understanding the total generating capacity in megawatts is 28,308 megawatts. That does not include Pickering A or the two portions of the Bruce A reactor that are down and probably never will come back. It's my understanding one of them will never come back.

**The Vice-Chair:** You're on the record now and your time is up.

**Mr O'Toole:** The time is up? Perhaps in the next round you might want to respond to that when Michael asks the question.

**The Vice-Chair:** Mr Bryant, you have 20 minutes.

**Mr Michael Bryant (St Paul's):** Thank you. Hi, Minister. I've got an energy bill here I just wanted to go through and I've got a copy of it. I wonder if I could just put it in front of you, if you don't mind.

**Hon Mr Baird:** Sorry?

**Mr Bryant:** I've got an energy bill here I just wanted to go through. Do you mind if I put it in front of you?

**Hon Mr Baird:** Sure.

**Mr Bryant:** I wanted to start right behind the asterisk, halfway down the page. It says, "W/S Mkt Serv Chg." What the heck is that?

*Interjection.*

**Mr Bryant:** Minister, average consumers have these bills come in the mail. They don't have deputy ministers, assistants and ministerial cheat sheets. They've got to just look at this and figure out what the heck this is. Can you tell me what that is?

**The Vice-Chair:** In the meantime, is there an extra copy that could help out the Chairman?

**Hon Mr Baird:** "Wholesale service market service charge."

**Mr Bryant:** Let the record show that the excellent ministerial staff—

**Hon Mr Baird:** They are excellent.



**Mr Bryant:**—beside the minister had to explain what that is. Let me just say, I find it kind of astounding that the energy minister cannot translate an energy bill. Ontario consumers are expected to do so and I think they expect you to as well.

**Hon Mr Baird:** I'm going to wholeheartedly agree with you. I think bills right across the province at the distribution level could be made a lot more simple. Whether it's a tax form, whether it's an energy distribution bill, I don't think they're as easy as they could be. I want to agree with you totally.

**Mr Bryant:** Then just down a little further, "Volumetric Chg," what is that?

**Mr Joseph N. Tascona (Barrie-Simcoe-Bradford):** Mr Chairman, if the member opposite refers to documents, can we not be party to this conversation in terms of having documents—

**Mr Bryant:** I'm asking the minister a question, not Mr Tascona. I'm just asking, can you tell me what a "Volumetric Chg" is?

**The Vice-Chair:** I think the minister has it in front of him.

**Mr Bryant:** Again, I find it astounding that the energy minister has to turn to his assistant to explain what a volumetric charge is. If Ontario consumers are expected to understand this, why can't the minister understand it?

**Mr Mazzilli:** On a point of order, Mr Chair: The minister can certainly refer questions to any of his staff. That's a common procedure.

**The Vice-Chair:** That's not a point of order.

**Mr Bryant:** Let me just speak to that. Ontario consumers can't refer their bills to ministerial staff or turn to a cheat sheet. They've got to figure this out. If the energy minister can't figure out a bill, how the heck are Ontario consumers supposed to figure out the bill?

**Mr Tascona:** I'll figure it out for you.

**Mr Bryant:** Mercifully you're not the energy minister and he is.

I just want to move down over here in one of the boxes—

**Hon Mr Baird:** Mr Bryant, I totally agree with you that energy bills in the province of Ontario through local distribution companies are a maze of things that are very difficult for the average consumer to understand. I think the move of unbundling bills is a good move so that people can have some sort of idea. To be able to hold the various parts of their energy bill to account is a good thing. I'm not satisfied. I've been here 40 or 50 days and, I'll tell you, I had trouble reading my own bill in the city of Ottawa. It's much like a tax form. It's much like a lot of gobbledegook people get from government, and I agree with you wholeheartedly.

**Mr Bryant:** Just one more.

**Hon Mr Baird:** You can go on and on.

**Mr Bryant:** No, just one more.

**Hon Mr Baird:** Your point's been made, sir.

**Mr Bryant:** No, I have a different point. Over here there's a box up near the top that says "% energy loss: 7.98 loss." What is that?

**Hon Mr Baird:** As you transmit electricity, the whole nature of physics—electrons are not a commodity you can store, so you do lose a percentage of electricity in transmission anywhere in the world, in any distribution in the world. When you generate it, you lose some. In some generation, you only get 35% to 50%; you're only able to capture 35% to 50% of the electrons that are actually created. So I think that's more a law of physics, and I concede that I'll probably get blamed for that too.

**Mr Bryant:** So this is electricity that consumers don't actually receive. Is that right?

**Hon Mr Baird:** When electricity is generated and then transmitted—

**Mr Bryant:** So they don't get it?

**Hon Mr Baird:** It's not a commodity like Coca-Cola, where you can put 580 millilitres in a can and distribute it to a customer.

**Mr Bryant:** I'm just looking for a yes, that they don't get this electricity.

**Hon Mr Baird:** I think you're trying to make a suggestion that somehow people are being billed for electricity they don't receive.

**Mr Bryant:** Are they?

**Hon Mr Baird:** The laws of physics—electrons are not a captured item.

**Mr Bryant:** I'll take that as a yes, that they're being billed for electricity they don't receive.

**Hon Mr Baird:** It's a cost of transmission to people. You cannot get 100% of electrons. No physicist anywhere in the world could do that. For as long as electricity has been produced and transmitted anywhere in the world, this has happened. Maybe I'll send you a high school physics textbook that would help explain that. To try to make that a political issue is a bit ridiculous and over-simplistic. From Professor Bryant I had greater expectations.

**Mr Bryant:** The Ontario Electricity Financial Corp's most recent annual report reports that the stranded debt from the former Ontario Hydro has grown from \$19.4 billion on April 1, 1999, to \$20.1 billion on March 31, 2002. Now, this is not a matter that I expect Ontario consumers to be able to answer off the top of their heads, so I certainly understand if you want to consult with your excellent ministerial staff on this. The stranded debt has, in short, gone up between April 1, 1999, and March 31, 2002, by some \$700 million. Is that right?

**Hon Mr Baird:** The Ontario Electricity Financial Corp is under the Ministry of Finance. My deputy is happy to respond.

**Dr Bryne Purchase:** Yes, your numbers are correct. There was an increase in the stranded debt. Total debt, however, has gone down. Remember that the stranded debt is the difference between the value of the assets and the dedicated revenues subtracted from the total debt. Obviously, the problem has been in the operation of Ontario Power Generation. Its income was lower, which caused an increase in the stranded debt.

**Mr Bryant:** Can the minister or the deputy minister point to where specifically in the estimates this increase in stranded debt has been accounted for?



**Hon Mr Baird:** I think that would be in the Ministry of Finance's estimates, and I know they'd welcome that question.

**Mr Bryant:** So you can't do that.

**Hon Mr Baird:** We're the Ministry of Energy.

**Mr Bryant:** You can't do that?

**Hon Mr Baird:** Each party had the opportunity to call three or four different ministries, and we're here to talk about the Ministry of Energy's estimates.

**Mr Bryant:** Vice-Chair, I'm going to take that as a no. Are you?

**Hon Mr Baird:** I'm going to take that as you agree with me.

**Mr Bryant:** No, I don't. I agree that the answer is no.

The events surrounding the financial stability of British Energy came to light after your budget and estimate documents were prepared. Could you tell me whether your ministry has a contingency plan in the event that British Energy is forced to sell off its Canadian assets?

**Hon Mr Baird:** It's an issue I take very seriously, first and foremost, obviously for the safety considerations when you're dealing with nuclear power; secondly, for the jobs and the economic impact that would have on greater Kincardine in that part of the province; and thirdly, obviously for the supply of electricity, which is pretty important. Bruce B is providing a substantial amount of power in the four reactors there.

I've been very cautious. I don't want to do anything that would help precipitate a negative impact on the future of Bruce Power. What I've been told is that Bruce Power continues to be economically viable. I think it's considered to be one of the best parts of the British Energy assets. It's owned by a joint partnership of British Energy, at 82%, which is substantial, Cameco and the workers at the plant.

I guess I'm cautious with my statements publicly. I don't want to precipitate something negative. It's a bit like the question: if your marriage doesn't work out, do you have a backup plan for a partner in your life? It's not one you'd want to speculate on publicly. I don't think that would be helpful.

1610

**Mr Bryant:** Be that as it may, I think Ontario consumers deserve to know there's a contingency plan, and if there isn't, they deserve to know that too.

**Hon Mr Baird:** We've been actively engaged with the file.

**Mr Bryant:** So there is a contingency plan?

**Hon Mr Baird:** We've been actively engaged with the file. I'm not going to publicly speculate on failure in this regard. I know there's a lot of commitment on behalf of a lot of folks to see what has been a successful partnership on this side of the Atlantic continue.

**Mr Bryant:** Has any money been set aside for such contingencies? Has any money been set aside to deal with a contingency in the event—

**Hon Mr Baird:** For what purpose?

**Mr Bryant:** To deal with the loss of the power we would have. Has any money been set aside to deal with that contingency?

**Hon Mr Baird:** And what would we use the money for?

**Mr Bryant:** I was hoping you might know the answer.

**Hon Mr Baird:** You're asking the question. I'm saying, contingency money for what purpose; for the decommissioning, for the six-month shutdown?

**Mr Bryant:** OK. We can do it this way.

**Hon Mr Baird:** I'm trying to think of where you're going, because I don't understand.

**Mr Bryant:** Sorry, I should have referred to my previous question. In the event the British Energy is forced to sell off its assets, has money been set aside for such contingencies?

**Hon Mr Baird:** I'm not trying to be difficult. What we have with Bruce Power is a commercially successful, commercially viable operation in the province of Ontario. For what purpose would the government set aside funds if one of the partners parent company operations on the other side of the Atlantic—

**Mr Bryant:** Are there any contractual obligations between Bruce Power and OPG?

**Hon Mr Baird:** Just one second; I want to make sure I can talk about the contract.

Obviously we have a lease agreement between Bruce Power—not British Energy—and OPG on that, and obviously we have various rights and responsibilities, as they do.

**Mr Bryant:** In the event that Bruce Power was not able to fulfill its contractual obligations, then OPG would have to step in.

**Hon Mr Baird:** That would be one option.

**Mr Bryant:** So there is a contingency plan for that?

**Hon Mr Baird:** I'm not going to speculate. You can ask the question a hundred different ways; I'm not going to speculate publicly on the affair. I don't want to do anything that would precipitate the loss of jobs there or the loss of the power supply. As I understand, it's commercially viable. There are a number of specific options that are currently being looked at in the commercial side, not entirely within the public sector. It's a file of which I understand the importance. I've tried to keep in close contact, as has the ministry, with folks at Bruce Power, with the British government and on occasion with British Energy.

**Mr Bryant:** Will Bruce A be refurbished?

**Hon Mr Baird:** Everything I've heard as late as last night suggests that work continues to progress well on the refurbishing of the two reactors at Bruce A.

**Mr Bryant:** Do you have a contingency plan in place in the event that Bruce A is not brought back on-line by Bruce Power?

**Hon Mr Baird:** Bruce Power currently operates Bruce B and is doing the work on Bruce A. I think the report of the independent market operator and the 18-month outlook spoke to both Pickering A and Bruce A and the effect of their not being on-line: that we would

still have sufficient electricity. Obviously I would like to see it brought back on-line as soon as possible. I have heard no information that has suggested there is any problem.

I'm always skeptical on nuclear power issues in the province of Ontario and in the United States, Great Britain and many parts of the world. It would be ridiculous to accept everything you saw at face value in terms of coming on-line. I'd say I hear more positive things about Bruce coming back on-line than I do about Pickering.

**Mr Bryant:** Fair enough. How much time do I have?

**The Vice-Chair:** You've got about six minutes.

**Mr Bryant:** On page 107 of the estimates documents is listed \$5.598 million for legal services. Were some of these services provided by outside counsel?

**Hon Mr Baird:** Just one sec.

**Mr Tascona:** What page?

**Mr Bryant:** Page 107. The big one.

**Hon Mr Baird:** With the document you have, I think the source of confusion is that obviously, when the estimates were transmitted, it used to be the Ministry of Environment and Energy; now it's just energy.

**Mr Bryant:** Right. Let me ask you a different way, then. Has your ministry retained outside counsel to provide legal services? I presume the answer is yes.

**Hon Mr Baird:** On occasion, yes, they do employ outside counsel.

**Mr Bryant:** Hydro One Inc is obviously a government enterprise corporation that falls under your ministerial purview. Is that right?

**Hon Mr Baird:** Yes.

**Mr Bryant:** Hydro One, I understand, has retained outside counsel in order to defend the \$11.6-million claim brought against it by Eleanor Clitheroe, and I understand that counsel is Benjamin Zarnett of Goodmans. I take that from a media report. That hasn't changed, as far as you know?

**Hon Mr Baird:** I wouldn't comment on that.

**Mr Bryant:** You don't know?

**Hon Mr Baird:** I'm here today to talk about estimates. I don't know which specific lawyer and which specific law firm and which specific legal issue—

**Mr Bryant:** This is very relevant to the use of taxpayer funds. I pointed to a page in the Expenditure Estimates 2002-03, Volume I. It includes legal services. The lawsuit involving the former CEO Clitheroe—

**Hon Mr Baird:** Hydro One's legal services are not in the estimates.

**Mr Bryant:** That's exactly why I'm asking. We need to find out where in the estimates or where you are putting money aside to provide money, taxpayer money, for the retaining of counsel like Mr Zarnett.

**Hon Mr Baird:** The estimates would have been prepared before the lawsuit.

**Mr Bryant:** Right. Well, you answered a question before about Bruce Power, which obviously took place after estimates were prepared. I'm asking you another question about a matter that falls under taxpayer ex-

penses. If you refuse to answer, just say you refuse to answer.

Quite a kerfuffle here, folks.

**Hon Mr Baird:** As I understand it, there's a lawsuit between Hydro One and an individual, not with the ministry.

**Mr Bryant:** That's right, yes. That's absolutely the case.

**Hon Mr Baird:** Hydro One, as a corporation under the Ontario Business Corporations Act, are not part of our estimates.

**Mr Bryant:** So you're telling me that in estimates you won't answer questions about how much taxpayer money is being spent to deal with a bill that your ministry brought in in June to fire the Hydro One board? You're telling me you won't give me answers on a matter relating to that bill and expenditures flowing from that act?

**Hon Mr Baird:** If you have questions where there is no compelling reason, no compelling interest why it shouldn't be provided, I'm happy to go back to Hydro One. The estimates of Hydro One and of OPG or of the former Ontario Hydro don't form part of the estimates of the ministry. That's not uncommon. TVO's estimates aren't part of the Ministry of Training, Colleges and Universities. Neither is the St Lawrence Parks Commission part of the estimates of that particular ministry.

1620

**Mr Bryant:** On June 4, 2002, your ministry introduced a bill, the Hydro One Inc. Directors and Officers Act, in the Legislative Assembly. At the time, the Premier said, "This will not cost the taxpayers of Ontario one red cent." The minister said on June 5, "The taxpayers are not paying one red cent for this." I'm asking you how many red cents have been expended on outside counsel in order to defend this action, and your answer is that you won't tell me. Is that right?

**Hon Mr Baird:** No, that's not my answer. The answer is that the ministry isn't a party, as I understand, to that particular legislation. Obviously—

**Mr Bryant:** To that legislation?

**Hon Mr Baird:** No, sorry; it's not a party to that lawsuit.

**Mr Bryant:** It's a government enterprise corporation, though. How do we get answers on it if you won't tell me?

**The Vice-Chair:** I think your time is up. I'm sorry.

**Hon Mr Baird:** I would like to reply. You can be flustered in terms of—this is an estimates process to go through the ministry's estimates. If you have questions, I'd be happy to look into them, and if it's reasonable to expect an answer, I'd be happy to provide it. The process we're going through now is estimates; it's not question period for four hours. You know the process.

**Mr Bryant:** I get to ask the questions and you get to give the answers or not give the answers.

**The Vice-Chair:** Mr Hampton, you have 20 minutes.

**Mr Hampton:** I would like an answer to this question. Weyerhaeuser just announced today that they are closing



down their forest products mill in Sturgeon Falls, Ontario—they are laying off over 147 people—yet they are going to continue to operate the hydro-generating facility, this link to that mill. I understand that the licence they operate under is EB-19990381. I wonder, since you have some excellent staff here, if you could tell me how many megawatts of power Weyerhaeuser's generating facility there normally generates.

**Hon Mr Baird:** We'd have to check.

**Mr Hampton:** Could I ask you to do that? Could I ask someone on your staff to check?

**Hon Mr Baird:** Sure. We'd be happy to look into that and get back to you.

**Mr Hampton:** Since I've got the energy board licence, and I gather—

**Hon Mr Baird:** We'd be more than happy to get that for you.

**Mr Hampton:** Good. OK.

One of the things that really struck me as I read through the Market Surveillance Panel's report is that they are investigating possible gaming. In fact, they say what they're most particularly interested in is what they call "failed import transactions"; they say this is an important part of explaining many of the price spikes we saw this summer with respect to hydroelectricity prices. One of the things they allude to is that as the supply problem or the supply shortage becomes more evident, going into next summer, in other words, as the market becomes tighter, there are more and more possibilities for gaming the market. Does that concern you, Minister?

**Hon Mr Baird:** I'll want to talk to the ADM. We have a market surveillance panel which is tasked by the independent market operator to look at these and other issues. Obviously it's incredibly important to have some surveillance.

I'd like to read from their report which was issued yesterday. In the preface it says, "The market has performed reasonably over the first four months. In particular, we find no evidence of abusive or potentially abusive behaviour by market participants. The challenges are not new but the first months of operation of a competitive market have made them more apparent."

We're in a new system. I think we've got to be vigilant, as you are with any new system. Some of these challenges might have existed before market opening, in other forms, but it's one of those things we should be doing. That's why we have a surveillance panel to look at these. So, yes, I take it seriously.

**Mr Hampton:** Has your ministry ordered anything in terms of looking at the potential price spikes that could have resulted from gaming, or have you looked at what can be done to reduce the prospect or the possibility of gaming the market? I mean, gaming the market was pretty serious in California.

**Hon Mr Baird:** I'll ask Dr Bryne Purchase, the best deputy minister in the Ontario public service, to come forward.

**Dr Purchase:** First of all, as the minister mentioned, the Market Surveillance Panel—which has the responsi-

bility for examining, incidentally, not supply in the marketplace but really and truthfully whether or not there's gaming in the marketplace—found no instances of abuse of market power.

With respect to the specific issue you mentioned, Mr Hampton, of failed transactions, they found no evidence whatsoever that there was gaming associated with failed transactions. They did, however, because I suppose in a normal cautious approach to these matters, to make sure that nothing in this marketplace happens like that—because we are all interested. I mean, that's why it's there; that's why the Market Surveillance Panel was established in the first place. We're all interested to make sure that the marketplace acts in a truly competitive way and that we have the best and lowest possible prices that competition, and only competition, can provide. So with respect to those failed import transactions, they did say that our "analysis in chapter 2 ... shows that failed [import] transactions were an important part of explaining many of the 'high-price' hours" we examined. "Some of these failed transactions are currently under investigation by the IMO's market assessment and compliance division" to establish whether they were indeed bona fide.

Failed transactions can occur for any number of reasons; that's why they are currently still under investigation by the compliance division. But the panel itself, barring new evidence that might emerge from this continuing examination, could find nothing. There was no allegation of fraudulent behaviour in any way associated with those transactions.

There are a number of reasons. We are five months into this marketplace. There are technical glitches all the time with respect to the software that operates. There are many, many complicated rules, as operators continue to learn how to function in this marketplace, that are applied and can sometimes account for these failed transactions. It does not necessarily, as I say, imply abuse.

But the good news is (a) that nothing has been found so far and (b) that it is currently still under intensive examination.

**Mr Hampton:** Investigation.

**Dr Purchase:** Investigation, yes.

**Hon Mr Baird:** At the same time, I'd add that the report recognizes that the four-month period—and I'll quote: "The report recognizes the four-month period has been a learning experience for all market participants, including the panel. What is important is to build on what has been learned to make competition more effective."

**Mr Hampton:** Last Wednesday in your remarks, you said that unrealistic prices were part of the problem with Ontario Hydro. Do you mean that prices were too low?

**Hon Mr Baird:** I think if you look at the whole premise behind the creation of Ontario Hydro, it would be power at cost. I think the fact that we had a \$38-billion debt when Ontario Hydro was broken up suggests that that policy wasn't followed.

Obviously, your government began to take measures to rein in Ontario Hydro, as ours has, by breaking it up,



among other things. There were huge job losses, as I recall, in the early 1990s, and the lights still stayed on. So we didn't have power at cost; we had a debt for future generations. Mr Mazzilli from London-Fanshawe has mentioned he doesn't think some customers should be—I mean, I'm in a situation where I'm going to have to pay a debt that I wasn't even a customer on. I guess that's the legacy for future generations.

**Mr Hampton:** So you're saying the prices were too low.

**Hon Mr Baird:** I think it was not power at cost. I don't think the operation was run efficiently, and I don't think that—

**Mr Hampton:** So are you saying your government was wrong to freeze hydro rates from 1995 until 2000?

**Hon Mr Baird:** No.

**Mr Hampton:** You just said that hydro rates were too low; they were unrealistic. But then your government froze them from 1995 to 2000.

**Hon Mr Baird:** And your party claims credit for that as well, I think, for part of it.

In 1995 I think we took two approaches, one with respect to dealing with—and I think you have probably termed it better than I—the economic situation we found ourselves in, in terms of the jobs, the loss of hope and the loss of opportunity, and sought an economic strategy to deal with that. I think too often under the old Ontario Hydro, the first thing they did, rather than trying to realize efficiencies, rather than trying to do a better job and have some discipline, was to jack up rates. That was the wrong strategy.

1630

What we did in 1995-96 is we began with the Macdonald commission a process to bring about real change in the electricity sector. I regret we couldn't turn things around. The Ontario economy, the Ontario government and the Ontario public sector was like a gigantic boat, and you can't turn it around as fast as you like. In some areas I wish we had been able to move faster to deal with all the problems that we inherited—some of them from the previous government, others from the successive governments of all three political parties.

**Mr Hampton:** You said earlier that some of the natural gas generators or the—

**Hon Mr Baird:** Can I interrupt you for a second?

**Mr Hampton:** Yes.

**Hon Mr Baird:** We have the answer for the number of megawatts on that plant. It's seven megawatts.

**Mr Hampton:** Seven, OK.

**Hon Mr Baird:** Sorry, I apologize.

**Mr Hampton:** So seven megawatts. That's all-in for the Sturgeon Falls operation?

**Hon Mr Baird:** That's the licensed amount, as I understand it.

**Mr Hampton:** All right.

You said earlier that some companies that were thinking of building natural gas generators are indicating that the price isn't high enough.

**Hon Mr Baird:** I haven't heard companies. That has been described to me by various market participants.

**Mr Hampton:** The price of electricity isn't high enough to attract someone into building a natural gas generating station?

**Hon Mr Baird:** British Energy's going broke, selling it at I think the equivalent of four cents a kilowatt hour.

**Mr Hampton:** Nuclear power is very expensive. We're getting examples of that from all around the world.

**Hon Mr Baird:** Some will argue with that and some will argue against that.

**Mr Hampton:** You're saying that some people have advised you that the price of electricity is not high enough to attract—

**Hon Mr Baird:** Some have speculated that a price at a higher level would be better.

**Mr Hampton:** How high do you think they should be? How high do you think they have to go to attract—

**Hon Mr Baird:** I want to see a competitive market so that we have lower prices than we otherwise would have had without the changes. The status quo pre-competition was unsustainable.

**Mr Hampton:** You say that prices weren't high enough, yet your government froze prices—

**Hon Mr Baird:** I never said that, sir.

**Mr Hampton:** Well, you said prices were unrealistic.

**Hon Mr Baird:** I think the whole nature of the creation of Ontario Hydro by Sir James Whitney and Sir Adam Beck, hydro at cost, had not been followed for many years, and tinkering was not required. You'd built up a \$38-billion debt and you needed to have beyond just allowing Ontario Hydro to do the same old trick by jacking up rates—unregulated, by the way; they could only get advice from the OEB. The best solution was to seek some more comprehensive change, which we've done. It hasn't been unanimous and I can see people—

**Mr Hampton:** When people see their hydro bills they see a substantially higher price. Are you saying the price will have to go higher still to attract those private sector participants?

**Hon Mr Baird:** No.

**Mr Hampton:** With the existing high prices, we know that the private hydro generation that you talk about isn't coming on stream. So how much higher will prices have to go to get On Site Energy and some of the other companies to build generating capacity?

**Hon Mr Baird:** There is a fear among some in the market, as I understand it—I'm not saying this is my fear—that as low-cost nuclear power comes on-line it will have an effect downward on prices.

**Mr Hampton:** I'm trying to understand where you're at here. The private generators, and I'm trying to use your words here—you've been advised that—

**Hon Mr Baird:** I've been advised that there are some who have that view. I would not characterize it as all private generators, because there are obviously some private generators—

**Mr Hampton:** So some have told you—

**Hon Mr Baird:** Some are moving ahead, so obviously they don't accept that. I've heard some have said that.

**Mr Hampton:** So under your government's strategy, you do not want any public sector generation, but the very people—

**Hon Mr Baird:** We have public sector generation expansions right now. Ottawa Hydro in my community has increased its capacity on the Ottawa River in generation. So we do have some public sector, yes. At Brighton Beach we're involved in one—OPG.

**Mr Hampton:** We're talking about, as the Market Surveillance Panel indicates, your government boasting about 5,800 megawatts of new construction but in fact there's only 1,000 coming on stream. So that creates a deficit of 4,800 megawatts, and you're saying to me that prices aren't high enough to attract private investors to build more. So how high do prices have to go?

**Hon Mr Baird:** For example, I talked to someone who was singing the praises of solar energy. To be commercial, they felt, would be nine or 10 cents. I don't want to see prices go up to nine or 10 cents. But this advocate for solar power certainly felt that. I wouldn't say that I agreed with that or that I embraced it or that I was suggesting we triple electricity prices to make solar power more acceptable. That's one of the flavours of the things I've heard.

**Mr Hampton:** I want to take you back to two of your predecessors. Jim Wilson and Chris Stockwell both said that Ontario has lots of power. I remember Chris Stockwell giving us a lecture in the Legislature in June of this summer, saying that Ontario has lots of power; there will be no price spikes; there will be no potential power shortages. Will you admit now that Jim Wilson and Chris Stockwell were both wrong?

**Hon Mr Baird:** I have tremendous respect for your integrity, sir, in your ability in these files, but you would accept that I would not take your conclusions as necessarily fact, or your interpretation of the facts as necessarily facts in this—

**Mr Hampton:** I brought the Hansards with me, of Jim Wilson saying, "We are not California. We have lots of power."

**Hon Mr Baird:** The very first statement you made, I asked you to find in the quote, and you couldn't. So if you have a quote where Jim Wilson said that, just on that California thing, I'd love to see it.

**Mr Hampton:** I'll be providing you with all the quotes.

**Hon Mr Baird:** And I'll compare what you just said against the Hansard.

**Mr Hampton:** I'll be providing you with all the quotes.

**Hon Mr Baird:** OK.

**Mr Hampton:** My point is—

**Hon Mr Baird:** But I'll compare the quote you just ascribed to Jim Wilson on California with the Hansard from this committee.

**Mr Hampton:** Your government—

**Hon Mr Baird:** Would you live up to the comparisons on that?

**Mr Hampton:** Oh, yes. Your government, through a number of energy ministers, has said that Ontario has lots of power; there's no problem of supply—

**Hon Mr Baird:** You're backing up from the California comment, though.

**Mr Hampton:** —there will be no issue as to gaming—

**Hon Mr Baird:** You're backing off from the California comment.

**Mr Hampton:** —and yet we have this report from the Market Surveillance Panel, which says, "There is a serious shortage of generating capacity to meet Ontario's growing demand for electricity," and then points out that there is a problem with gaming and gaming needs to be investigated. I'm just asking you the question: would you admit now that Jim Wilson and Chris Stockwell were wrong, that your government has been wrong?

**Hon Mr Baird:** I'm not going to accept your interpretations of remarks and their context. I don't profess to be a PhD in physics or in economics—some at this table might be—but the Independent Electricity Market Operator does an 18-month outlook and they released one on September 24. They're independent. They make these determinations, not a politician. In their report, "The energy production capability is generally expected to be well above energy demand levels in each month of the outlook period.... No additional energy is expected to be needed to meet Ontario forecast energy demand." Would I like to see more energy come on-line? Do I take the concerns of the surveillance panel seriously? Yes.

**Mr Hampton:** I wanted to ask you a bit about the Bruce. We understand, or at least British Energy told financial analysts, and we've been told by others, that if there are problems for British Energy, Ontario Power insists that if Bruce Power cannot meet its obligations, the plant would revert to Ontario Power Generation. Is that true?

**Hon Mr Baird:** I suppose in any lease agreement, if the lessee doesn't fill up its part of the bargain, whether you're leasing a car or a power generation plant, I suspect there would be consequences.

**Mr Hampton:** Would you agree with me that this is a fairly serious issue for Ontario industry and Ontario hydro consumers?

**Hon Mr Baird:** Yes.

**Mr Hampton:** Ontario Power Generation says that the information regarding how the plant would revert to OPG is part of the lease, that it is secret and cannot be released to the public. Would you agree with me that an issue that is so serious for Ontario industry and so serious for Ontario Hydro consumers—don't you think the public deserves to know a little bit about this, what obligations the public might have and what the terms would be for the generating station reverting to OPG?

1640

**Hon Mr Baird:** The Provincial Auditor looked at the lease. As I recall, he had a favourable impression of it.



**Mr Hampton:** I was here that day. That's not exactly what he said, but we can quibble over that some other time.

This is a substantial potential obligation for the rate-payers and taxpayers of this province and it has substantial risks for Ontario industry and Ontario hydro consumers. My question to you is, don't you think that the public should be able to see those clauses in the lease to determine exactly what our obligations are and what our risks are?

**The Vice-Chair:** The time is up.

**Mr Hampton:** I'd like an answer.

**The Vice-Chair:** The Conservatives might give you that time.

**Mr Hampton:** I'll take that as no answer.

**Hon Mr Baird:** You used too much time in your preamble. That's what I would take it as.

**Mr Mazzilli:** Minister, I just want to go back to the debt retirement charge. Feel free to refer the questions to any of your very capable staff. As I understand it, the \$38 billion has been split up, if you will, between Hydro One and the Ontario Power Generation.

**Hon Mr Baird:** And a little bit to the IMO as well.

**Mr Mazzilli:** OK. If you look at Hydro One, what would the assets of that particular company be worth?

**Hon Mr Baird:** Book value or market value?

**Mr Mazzilli:** Realistic value.

**Hon Mr Baird:** With respect to Hydro One, I would be cautious. We have something that would be referred to as the teaser letter out, information out with respect to looking for a partnership. I wouldn't want to necessarily compromise the strategic partnership or the benefits to taxpayers of that strategic partnership, so I'm cautious.

**Mr Mazzilli:** I certainly wouldn't want to compromise that either. What would the assets of Ontario Power Generation be worth? Truncated, rounded off?

**Hon Mr Baird:** We did the debt-equity swap back when it was created. It likely would have changed since then. Obviously, as they've moved forward to decontrol, I would be cautious.

**Mr Mazzilli:** I guess what I'm getting at is, it would be nice to know how much of the \$38 billion is assets.

**Hon Mr Baird:** Nowhere near \$38 billion.

**Mr Mazzilli:** I understand that. It brings me back to the debt retirement charge, because it would be fair on the assets portion to amortize that, if you would, over 25 or 30 years. I think that's quite realistic in any business plan. And on real operating debt, obviously you want to be a little bit more aggressive, and at the same time not penalize business and consumers, if you get where I'm going with this. On the hard assets, if that portion of the debt were distributed over 25 years—

**Hon Mr Baird:** There's a value to what you're saying. It might be somewhat more realistic. Of the \$38 billion of debt, though, some is assigned to Ontario Power Generation, some is assigned to Hydro One, and a very small bit to the IMO. Then there's a revenue stream for a big chunk of it, about \$13 billion or \$14 billion. Of course, \$7.8 billion is the residual stranded debt, which is

to be amortized over 10 to 17 years. But I don't disagree that there's some merit to what you're saying.

**Mr Mazzilli:** OK. As far as usage, what portion of hydro, just for our own education, would be used for commercial purposes and what portion for residential?

**Hon Mr Baird:** We use about 150 terawatt hours a year now.

**Mr Mazzilli:** On a percentage basis, between commercial purpose and—

**Hon Mr Baird:** Roughly, the estimation I've been given is about a third, a third, a third—residential, commercial, industrial.

**Mr Mazzilli:** So a third would be for residential and the other two thirds we could say would be for some type of commercial purpose.

**Hon Mr Baird:** Obviously industry uses a lot more. It's smaller than the commercial sector, but it uses a lot of electricity

**Mr Mazzilli:** This 0.07 cents per kilowatt, the price per kilowatt is what, 3.2 from Ontario Power?

**Hon Mr Baird:** Wholesale generation. This morning, at one point it was at 3.4 cents, earlier than that it was at 2.8. At one point it was at 2.9. Since market opening it's averaged about 5.2, I think.

**Mr Mazzilli:** That's my point here: 0.07 is 25%, 30%, 40% of 0.2. The debt retirement charge is pretty high.

**Hon Mr Baird:** The 0.07?

**Mr Mazzilli:** The kilowatt hour on the debt retirement charge. Is that not the debt retirement charge? If you look at the price of the actual cost of the product being 2.4—what did you say it was this morning: 2.4, 2.8?

**Hon Mr Baird:** The generation is like the Coca-Cola plant, the transmission is sort of like the delivery, and the distribution is sort of like the retail, if I could compare it to another commodity. Obviously the price is a lot higher. That's simply the wholesale price.

**Mr Mazzilli:** OK. I guess it comes back to the debt retirement charge. If I can simplify this a little bit: you have a provincial debt of \$110 billion and you're going to retire that over 10 or 12 years. I don't know. Maybe Mr Hampton can help me with the numbers. What's that, a principal payment of about \$8 billion or so a year that you'd have to come up with?

**Mr Hampton:** It's going to take longer than that.

**Hon Mr Baird:** For many years we'll be paying off your debt, I agree.

**Mr Mazzilli:** But that's how aggressive a plan that would be, that \$38 billion?

**Hon Mr Baird:** If you're suggesting that there's merit to looking at it, I'd certainly be prepared to do that. The deputy may have some other comments to add.

**Mr Mazzilli:** I'd be happy to hear those comments.

**Dr Purchase:** OK. First of all, you have to remember that the residual stranded debt is a movable number. It depends on the value of the assets and the value of the payments in lieu of taxes. The original estimates, when the companies were set up and the debt was allocated to the companies, the government did a debt-equity swap in order to take ownership of the successor companies—



those estimates were made as to what are the value of these assets. They were made at that point in time. Obviously, such estimates are going to turn out to be, as all estimates are, something of a guess. They're a sophisticated, scientific guess, if you like, at the time, but they nonetheless represent a guess.

What the final number will be in terms of the residual stranded debt is yet to be determined. It may well be lower, at which point the debt retirement charge, at the Minister of Finance's discretion, would be eliminated. It could happen sooner than those estimates. That's simply the current estimate based on views of prices and so forth going forward.

**Mr Mazzilli:** So once the debt goes down to book value at least, the debt retirement charge will be eliminated at that point?

**Dr Purchase:** Yes. Once the value of the companies plus the other revenue streams equal the debt that's remaining in the Ontario Electric Financial Corp, there is, by definition, no residual debt left and therefore the charge would be zero.

**Mr Mazzilli:** What would we estimate that to be? Is it \$8 billion, \$10 billion, \$15 billion? What would have to be made up?

**Dr Purchase:** Currently, roughly \$8 billion is the original estimate. It remains the original estimate, and the debt retirement charge collects roughly a billion dollars a year.

**Mr Mazzilli:** I understand. Trying to grow the assets so that the—

**Dr Purchase:** That's right. The more valuable the companies are the less residual debt there is.

**Mr Mazzilli:** Sometimes that works and sometimes it doesn't.

**Mr Hampton:** It's been working well with Hydro One.

1650

**Dr Purchase:** Hydro One has been a profitable company, incidentally.

**Mr Mazzilli:** With two thirds consumption on the commercial-industrial portion, I guess this \$8 billion is an enormous amount of debt to pay in a short period of time. I think I've made my point and I'll pass it over to Mr Tascona.

**Mr Tascona:** I want to change the topic here for a moment. Your ministry is involved with the Pesticides Act under environmental protection?

**Hon Mr Baird:** While it is the Ministry of Environment and Energy, we're just here on the energy side.

**Mr Tascona:** Under the Pesticides Act there's an advisory committee and whatever. I want to ask you a pointed question in terms of where that would be. Do you monitor, under environmental protection, where pesticides can be used? I have had an inquiry in terms of pesticides being used near long-term-care facilities, which to me would be something that—

**The Vice-Chair:** Mr Tascona, we're dealing with the Ministry of Energy estimates. Am I getting it that you're asking some environmental questions in estimates here?

**Hon Mr Baird:** It is the estimates for the Ministry of Environment and Energy, but I think the committee chose to split them rather than have the two of us here for 15 hours.

**Mr Tascona:** OK. I noticed pesticides under that, but I'll bring you back then to—

**Hon Mr Baird:** The estimates are together, though. You're correct.

**Mr Tascona:** Yes, they are.

*Interjection.*

**Mr Tascona:** I thought I was somewhat near the topic.

**The Vice-Chair:** We just thought that there's so much in energy that we would split it.

**Mr Tascona:** Glad for your direction, Mr Chairman. I appreciate that.

I'll point you to page 79 of the estimates briefing. There are a number of goals that are set out under "Activity: Policy and Programs." The goals are "ensuring an efficient supply of energy that is competitive for the people of Ontario; seeking the necessary capital to rebuild and modernize the transmission and distribution of power in Ontario; bringing market discipline to Hydro One—the province's transmission company—and to eliminate the current \$38-billion debt and liabilities and prevent any possibility or recurrence of such a staggering debt; and achieving these goals while protecting consumers." Maybe you can tell me what the plan is to protect consumers while achieving those goals.

**Hon Mr Baird:** As we move forward with the strategic partnership, there's a desire that a private partner with a minority interest will bring a properly motivated private sector perspective to the firm. I suppose, depending on the partner, we would also see benefits from new perspectives on the company's management. The taxpayer would no longer be responsible for the entire financial risk associated with investment decisions by the board or management. Proceeds from the sale of the minority interest would be devoted to pay down the massive debt accumulated by the former Ontario Hydro.

As well, we hope the sale will support some of the new investment that's required in our transmission system. Some of the transmission system is quite old and needs to be better maintained or replaced. That would obviously be one of the benefits.

**Mr Tascona:** The Ontario Energy Board has been established as a quasi-judicial tribunal. Its role is set out in the estimates on pages 4 and 81. I understand you're going to be involved in a review of that. With respect to its current powers, how do you envision—perhaps you want to comment on this—the Ontario Energy Board protecting consumers in this current environment?

**Hon Mr Baird:** We can look at the Ontario Energy Board's two roles. One has certainly been emerging with changes in electricity, to sort of be the cop on the beat with regard to consumers. That's an important responsibility. The other important one is to be the meaningful group that balances the needs of consumer protection with independence with respect to—for example, with

natural gas, there's a regulated rate of return. It's a regulated sector and you want a neutral party to balance those two off. Obviously, the first one is entirely consumer-driven and the second one is balancing the two off. The board has grown a lot in recent years, but the world around it has grown by leaps and bounds.

I think there's just about unanimity, whether it's consumer groups, stakeholders, taxpayers or folks at the board itself, that changes are in order. Certainly there are a number of my colleagues who think the same thing. I think you'll find widespread support for a review of the board. There's no specific end point we're going to. I want to consult with all the affected parties. The model that has been suggested by a good number of folks, which we'll look at in the context of the review, is the whole structure of the Ontario Securities Commission. That's one model we'll look at.

**Mr Tascona:** Are you answering any questions on water and sewage infrastructure?

**Hon Mr Baird:** No.

**Mr Tascona:** In terms of my riding in Simcoe county, we have an interesting group of suppliers and distributors. We have Hydro One in Oro-Medonte, we have Barrie Hydro that services Barrie and also services Bradford West Gwillimbury, and then we have Innisfil Hydro that services Innisfil residents. Looking at the Ontario Energy Board in terms of their powers with respect to these different municipal organizations, even Hydro One, how do you feel in terms of the Ontario Energy Board being able to deal with them under their current powers, in the current environment?

**Hon Mr Baird:** We're doing a review of the structure of governance, of the mandate of the board and what we can do to improve its operations. Obviously, if I thought everything was hunky-dory, we wouldn't be doing a review.

**Mr Tascona:** I understand that, because you get conflicting information on that.

I'll turn it over to my colleague, if he has a question or two.

**Mr Mazzilli:** We heard that this summer we had some problems. We had to import some energy. Is the amount we had to import this year consistent with other years?

**Hon Mr Baird:** No. This year we had to import a fair bit, probably because it was one of the hottest summers in 54 years. But importing power is not something that's new in Ontario. We're obviously not at year-end, so I can't give you a comparable number for 2002, but in 2001 we imported 8.6 terawatt hours. Back in 1990 we imported 15.7 terawatt hours. So it's gone up and it's gone down. In 1995 it was 3.8 terawatt hours. There would be issues with your domestic supply. Obviously, when you have an economic downturn, as we did in the recession in the early and mid-1990s, when you have fewer jobs, you need less electricity, and when you have more jobs, more industry and more commercial activity—

**Mr Mazzilli:** Do we export power at all?

**Hon Mr Baird:** Yes, we do as well.

**Mr Mazzilli:** What are the numbers on the export side this year compared to previous years?

**Hon Mr Baird:** We would probably export power in two ways. Sometimes you export it just to keep the system moving. We'd export in area A and import it back in area B. Obviously, in physics, electrons go where electrons go. In other areas, you'd export it when you had a surplus. The total exports, for example, in 2001 were 7.9 terawatt hours, in 1998 it was 6.8, in 1999 it was 5.9 and in 2000 it was eight.

**Mr Mazzilli:** So on that exporting side, we're obviously up from where we have been in the past. Is the revenue side reflecting what we're exporting?

**Hon Mr Baird:** Obviously, when you export, you would be remunerated for that.

**Mr Mazzilli:** When we're importing, we're paying somewhat of a premium to somebody, I suppose. When we export, do we charge a premium like they charge us?

**Hon Mr Baird:** It would be somebody involved in the particular market in some areas. I can give you the net imports, for example. The import number I used, for example, for 2001 was 8.6. In 2001 the total exports were 7.9, so there was a net import of just 0.7 terawatts. We've imported 6.9 so far this year. It obviously depends on the market, if we're dealing with Michigan, New York, Manitoba or Quebec. I can't imagine we do much to Quebec, though.

1700

**Mr Mazzilli:** I understand that. So what you're saying is that this year so far we've exported as much as we've imported—

**Hon Mr Baird:** In recent years. Obviously, we try to get the very best price we can, depending on the jurisdiction and how the market operates there. If I say "we," I mean OPG, not me.

**Mr Mazzilli:** How does OPG do—

**The Vice-Chair:** I think you're going to have to catch him on the next round. Your time is up.

**Mr Bryant:** What is the latest on the Pickering A restart in terms of the scheduled date of refurbishment?

**Hon Mr Baird:** They have to go out from time to time with respect to financial disclosures, and there's a bond market and whatnot. I'll be very blunt: I'm not happy with Pickering A. I take the issue seriously. Before I make a commitment, I want to have better information.

I was out to Pickering my first day on the job. I've had a good number of meetings with senior officials at OPG on that. I'm not satisfied with what I've been hearing. It's a work in progress. I'm not happy. I'm not going to defend it.

**Mr Bryant:** Are you unhappy about the cost overruns? Are you unhappy about the delays in refurbishment? Both?

**Hon Mr Baird:** I'd obviously like to see it brought on-line as soon as possible. I want to see it done safely. You're dealing with nuclear technology. The reality is that there are a number of factors that have influenced it. A 20-month environmental assessment was a substantial amount of time, and you can't go ahead with a good



chunk of that work pending the decision on the EA. They've had some challenges, I think, relating to the Candu technology. It's not really a Candu reactor; it's more Candu technology that was built in the late 60s and early 70s. The old former Ontario Hydro back in those days, rather than sort of buying a car off the lot, took the technology used to build the car and built their own. That may have worked then, but when you go to do modifications for it—

**Mr Hampton:** I wonder what Minister of Energy that was, which one of your Conservative predecessors.

**Hon Mr Baird:** I'd have to check the records.

So when you go to repair, refurbish or do changes to it, you'll often—when you pull up the hood, to use another analogy with a car, it's not exactly how it was according to specs.

In the time, the afternoon I spent, we went right into the face of a nuclear reactor and with the work that's being done, the productivity is so low. It's like doing brain surgery in a space suit. Just the continual checks for titanium are incredible—vacuum-locked sealed doors as you move from place to place. In the course of the afternoon I was in there, I think it must have been 25 individual times you had to be checked for radiation. It obviously makes it a very inefficient process. The fact that it's a cost-plus contract rather than a fixed-price contract is another issue. I don't think there's a project management that would take it on that basis because of the nature of nuclear technology.

**Mr Bryant:** You said you're unsatisfied and your predecessor said it was unsatisfactory for there to be the cost overruns. You're the minister, and I guess—

**Hon Mr Baird:** When you say cost overruns, though, this was not like a car repair bill that they said would be \$1,000, and when you showed up to pick up the car it was \$2,500. They made estimates. It's costing more than they estimated, but it's not like someone had a contract for \$1,000 and they're delivering it at \$2,000 and expecting \$1,000 in their pocket. I think it is important to underline that.

**Mr Bryant:** Yes. It was estimated originally to cost \$1.2 billion. Now it's estimated at \$2.1 billion. That's all I mean by cost overrun.

I guess technically you're the sole shareholder—is that right?—of OPG?

**Hon Mr Baird:** You act as the shareholder, yes.

**Mr Bryant:** Right. I know that the Deputy Minister of Energy used to sit in on the board meetings of the old Ontario Hydro. Is that still the practice? It was just a practice. It's no longer a practice?

**Interjection:** Oh, no.

**Mr Bryant:** The deputy minister is saying, "No, it's not a practice." How do you direct OPG? You say you're unsatisfied, and fair enough; I appreciate your candour. How do you direct matters in such a fashion as to get them on a satisfactory track?

**Hon Mr Baird:** I think with respect to Pickering A, I tried to underline the importance that I placed on it by visiting it on my first full day on the job. We've set out a

regular meeting track where we meet every two to three weeks. We've scheduled those, not just the one we had today. I've made a point of underlining the focus that I'm going to place on accountability. We've already scheduled meetings right through Christmas, because I think that it's important to send a message. We have a pretty good team at the ministry and those meeting are not just political; there are ministry officials as well.

I think that it's a unique type of role, where you have one individual as the shareholder of a company of that size. Obviously, it's not John Baird. I'm there trying to represent not just the government, the Premier of the government and the cabinet, but the taxpayers and those people whose shares you hold, who of course are the people of Ontario.

**Mr Bryant:** If it's unsatisfactory and the cost estimates have been off and we've had delays—I appreciate that you're not going to give us a date right now, right? You don't want to give us a date right now as to the estimate. How then do we justify the salary of the CEO? Do you think that's satisfactory, that salary for CEO Ron Osborne?

**Hon Mr Baird:** When I was first appointed minister, in my first month on the job, the Premier requested that I conduct a review of the salaries of senior management at OPG. I did that. What we got back from a private sector outside adviser was, when they looked at the compensation arrangements and the individuals who were appointed—it was Towers Perrin who conducted it for us—it said that they were reasonable. There are base salaries and then there's the second part of that.

Obviously I was concerned, as I think were a number of members. You may on occasion have talked about this whole issue of rolling three-year averages in terms of a bonus structure. They do look at everything from the overall financial performance of the company. One of the things they do, which I strongly support, is health and safety. I think that's a primary concern for management. Obviously, when you have issues with respect to the environment, that's part of it. When you look at nuclear, you have the nuclear division at Darlington operationally versus the nuclear division at Pickering. Obviously, at Darlington there are fewer problems than there are at Pickering. So it's complex.

**Mr Bryant:** So the ministry did its homework, looked at their compensation packages and agreed it was reasonable.

**Hon Mr Baird:** I looked at the compensation packages and the verdict from an outside person said they were reasonable.

**Mr Bryant:** And you accepted that verdict? Yes?

**Hon Mr Baird:** Yes.

**Mr Bryant:** On to the subject of the rebate. The Premier made reference today, in fact, in question period, to the rebate and I just want to make sure I get this right. Ontario Power Generation—we talked about the fact that you're the sole shareholder of it—had applied to the Ontario Energy Board to reduce the rebate by 20%. The Premier said last week on a radio show, and later in the



Legislature, that Ontarians should get their full rebate. Do I take it then that you, as the minister, have directed Ontario Power Generation to withdraw that application?

**Hon Mr Baird:** This is similar to the discussion I had in the first go-round with Mr Hampton. I don't share your choice of words. I think the terms of discourse in this are important. I think that the market design committee—

**Mr Bryant:** Sorry, which words?

**Hon Mr Baird:** Reduce.

**Mr Bryant:** Reduce.

**Hon Mr Baird:** The market design committee recommended to the government and the government accepted the recommendation saying that Ontario Power Generation controlled so much of the market, the ability to set the price, that there has to be some mitigation of that power.

In 1998, we were using about 140 terawatt hours. By 2002, we were using 150 terawatt hours in the province. OPG was controlling 105 terawatt hours. So obviously, between 1998 and 2002, they have to set what the rebate would be. We have more terawatt hours. Obviously that's going to have an effect on it.

1710

**Mr Bryant:** If OPG didn't seek to reduce the rebate—

**Hon Mr Baird:** I think it should move forward exactly as advertised.

**Mr Bryant:** I just want to make sure I understand. They didn't seek to reduce the rebate. I'll tell you, I just took my information from the Electricity Distributors Association e-mail that went around to its membership saying that OPG had sought to reduce the rebate by 20%. If they weren't seeking to reduce it—I don't think they were seeking to increase it—what were they doing, then? What was OPG doing that resulted in the Premier saying, "They're going to get the full rebate"?

**Hon Mr Baird:** The rebate hasn't been established yet. It should move forward exactly as has been advertised, in my judgment; part of OPG's operating licence with respect to decontrol, with both Bruce Power, with the lease and with the four dams in Mississagi.

**Mr Bryant:** You said it should move forward as advertised. How has it been advertised? I know it's a term.

**Hon Mr Baird:** It's in OPG's licence. I think people are trying to create the impression that there's a change, and there's not. The Ontario Energy Board, with an application, would make a determination whether it was decontrol or not.

**Mr Bryant:** What was OPG doing before the Ontario Energy Board on the subject of decontrol?

**Hon Mr Baird:** As I understand it, OPG doesn't have the ability, nor do the political masters in the government, to set what is control and what is not control. So the Ontario Energy Board will make a determination in terms of how many terawatt hours are counted in the equation of the rebate. Obviously, I want to see OPG's market power decline. I think I'd like to see a number of companies of equal size or different sizes competing. They'll have to look at how many terawatt hours—this

year, in 2002, we may use more than 150 terawatt hours. The Ontario Energy Board, not just some executive at OPG, will have to determine how many terawatt hours we use and how much control OPG had in the marketplace. So there's no change in how it was presented at all.

**Mr Bryant:** When do people get the rebate under the licence that you referred to? When do Ontarians get this rebate?

**Hon Mr Baird:** In terms of a particular date? I don't have a particular date. It's based on the annual price. I think it was done at 3.8. The market opened at 4.3. I'm not sure. I don't know the billing systems or—

**Mr Bryant:** A representative of the Ontario Energy Board suggested that it would be in August of next year. Does that sound right?

**Hon Mr Baird:** It could be in August; it could be in April.

**Mr Bryant:** Could it be in November of this year?

**Hon Mr Baird:** Well, it's an annual rebate. It's calculated on an annual—

**Mr Bryant:** So how could it be provided in April if it's annual?

**Hon Mr Baird:** OPG has a fiscal year that's different from the government's. For example, it's a calendar year fiscal year. OPG has a fiscal year that matches the calendar year, whereas government has April 1 to March 31.

**Mr Bryant:** I guess if it's annual, OPG could provide it in January.

**Hon Mr Baird:** I just don't know how long it would take to compute the determination of what it's amassed at.

**Mr Bryant:** You don't know.

**Hon Mr Baird:** You'd have to look at how many terawatt hours we used and compare that with how much of the market they equated. I don't know if that's a process that could be done in a few hours or whether it requires an opportunity for the Ontario Energy Board to adjudicate it. You could argue that it should be done over the first 12 months of the market opening. Many would argue that that's the way to do it.

**Mr Bryant:** So you're saying OPG never went to the Ontario Energy Board to seek a reduction of its rebate? It never happened?

**Hon Mr Baird:** When you say "reduced"—the rebate is established based on its power in the marketplace.

**Mr Bryant:** Reduced in any fashion.

**Hon Mr Baird:** But when you say "reduced," I don't accept that word.

**Mr Bryant:** Increased? Did they seek to increase it?

**Hon Mr Baird:** I think you're playing games.

**Mr Bryant:** No, I'm not. I'm trying to get an answer. If they didn't reduce it, what the heck did they do?

**Hon Mr Baird:** It's based on how many terawatt hours are used in the province and how much of the market OPG controls. The Ontario Energy Board will make the determination on how much it controls. Obviously they have to make filings with respect to how much of the market they control. Some would argue that

despite the fact they've leased Bruce and sold the four dams in northern Ontario, they still control that. Others would argue that they don't. But I think the rebate should go forward exactly as advertised.

**Mr Bryant:** Was there a time in which it wasn't going forward as advertised?

**Hon Mr Baird:** No.

**Mr Bryant:** So in other words, OPG wasn't doing anything to affect the rebate in any fashion?

**Hon Mr Baird:** It has to do things to affect the rebate.

**Mr Bryant:** So it was doing something to affect the rebate.

**Hon Mr Baird:** There's not an established amount for the rebate. It'll be established on two things. It's established on how many terawatt hours are used in the province. For example, in four years it went up from 140 to 150. Back in 1998 we couldn't have determined how many terawatt hours of power would be used in the first year of 2002 or 2002-03 of the market. So it'll be based on how much we use and then also based on how much OPG controls. Back in 1998—since then OPG may have had a few more megawatts come on-line here and there with this or that project, depending on a particular dam or the particular strength of a turbine or with respect to how much they owned. Obviously they've got a few investments. They've got one in wind, for example, up in Huron county which is co-run with another private sector partner. They've done the lease at Bruce and they've done the sale of the four dams. The board will make the determination of how much of the market share will go forward and it'll go forward as it was intended to do, as advertised.

**Mr Bryant:** Another issue in terms of, not rebate, but in this case uplift charges: right now, as I understand it, LDCs do not charge customers for the cost of imports through uplift charges. In fact, they are carrying that cost right now. Of course, they're now absorbing the cost of imports, and you've talked about how much we've been importing in the last while.

LDCs are making an application to the Ontario Energy Board to flow that cost of the imports through the uplift charge. Is the government going to support that application to the Ontario Energy Board?

**Hon Mr Baird:** We might as well just get rid of an independent adjudicative body to make these determinations. The IMO system charges reflect the cost of operating the system and the recovery costs of ensuring that we have a reliable system.

**Mr Bryant:** Is that a yes, Mr Chair? It sounds like he's—

**Hon Mr Baird:** Am I going to publicly tell the judge how to rule?

**Mr Bryant:** Will you support it or not?

**Hon Mr Baird:** If it's going to the Ontario Energy Board, I'll let the Ontario Energy Board make that determination.

**Mr Bryant:** So you'll take no position on it?

**Hon Mr Baird:** The energy board made the ruling about what the IMO charge would be: 0.62 cents per

kilowatt hour for Ontario customers. Various market players—you mentioned local distribution companies—may want to seek a change or amendment to that. They're entitled to do that. We wouldn't need the Ontario Energy Board; I could just ask me and I'd say, "Sure," and with a stroke of a pen do it.

**Mr Bryant:** Here's the thing, though. Your government is intervening and asking the Ontario Energy Board in fact to review the retroactive charge provided by Union Gas. So why would you intervene on that but you refuse to intervene on this application?

**Hon Mr Baird:** Cabinet can't order a review until an order is received. With respect to Union Gas, no order has been received. There's been a decision but no order.

**Mr Bryant:** So you're not doing anything on Union Gas?

**Hon Mr Baird:** Cabinet has the authority to ask the Ontario Energy Board to review a decision. We legally, under the legislation, don't have the power to do that until an order is received. An order has not been received; it's expected in late October.

**Mr Bryant:** So you will do it? You'll review it at that time?

**Hon Mr Baird:** We announced a review of the entire energy board. I'm a consumer like everyone else. I don't like retroactive charges.

**Mr Bryant:** If you're going to review that, I'm asking, are you also going to deal with another future order, and that's dealing with import charges being passed along to consumers?

**Hon Mr Baird:** In terms of a change, if they haven't ruled on it, I can hardly order them to review—

**Mr Bryant:** But you're doing that with Union Gas. Why won't you do it with this one?

**Hon Mr Baird:** They haven't made a decision or an order yet.

1720

**Mr Bryant:** You just told me they didn't make one for Union Gas either, but you're happy to make a commitment to review that one.

**Hon Mr Baird:** You asked me if I'd made a commitment. I didn't give you an answer to that because I haven't seen the order yet. You connect the dots before you even get to—you go to point C when you haven't even taken the person from point A to B.

**Mr Bryant:** If anybody is being misled, I say it's the people of Ontario, because the people of Ontario think you're intervening to try and redress retroactive charges that you say you're happy with.

**Hon Mr Baird:** I'm going to look at the—

**Mr Bryant:** It sounds like a waffle, Minister. It sounds like you're retreating from your position on retroactivity. Are you going to intervene or are you not?

**Hon Mr Baird:** I'm going to get the order first, when it comes in late October. We're reviewing the entire Ontario Energy Board. I'm not satisfied we're doing the best job we can for consumers, and to go back that far I think is wise. I don't think three months is enough of a



payback period. I think six months is better. I'd like to see it more than that. Sure.

**The Vice-Chair:** Mr Hampton, 20 minutes.

**Mr Hampton:** I believe you owe me an answer to the last question I asked.

**Hon Mr Baird:** Do you want to repeat it?

**Mr Hampton:** I asked you if you thought that the clauses of the Bruce Power and OPG lease dealing with Ontario Power Generation's obligations to take over Bruce Power, should British Energy go bankrupt, should be open to the public, since the people of Ontario would be subjected to significant financial responsibilities as well as significant risks. Don't you think the people of Ontario deserve to know what their obligations would be and what risks they have assumed?

**Hon Mr Baird:** I'm happy to see what commercial interests may or may not be involved with such a disclosure. It is hardly a secret, though. The federal regulator, the Canadian Nuclear Safety Commission, has reviewed it, as has the Provincial Auditor. To be constructive, let me look and see what sort of commercial—

**Mr Hampton:** When the Provincial Auditor reviewed it, he wasn't aware that British Energy was staring at bankruptcy. He wasn't aware that the Labour government in Britain was going to have to come in and save your bacon with a \$1.5-billion loan to British Energy.

**Hon Mr Baird:** It's like doing the rain dance on fear. You can be the merchant of fear and uncertainty. I don't think the people are going to buy that, though.

**Mr Hampton:** That's on the record. The only reason that Bruce Power is able to operate and British Energy is able to operate is because the Labour government has provided them with a \$1.5-billion loan for the next three months.

**Hon Mr Baird:** One of the partners' parent company is having some financial problems. That's a matter of public record.

What I want to do, as the Minister of Energy, is work, firstly, on safety, and to make sure the supply is available to the province, and as well for the workers at that plant, who are also owners, to continue to have employment. I don't want to do anything in public comments that's going to jeopardize that. There are a lot of discussions going on, a lot of exciting, positive things in terms of what the future may or may not be.

**Mr Hampton:** I would agree with you on one front. I find it interesting that a socialist Labour government is having to save your bacon on British Energy right now.

But the point I want to make is, if you care about the workers and you care about the hydro consumers and you care about the taxpayers—

**Hon Mr Baird:** Many people in Britain wouldn't call that government socialist.

**Mr Hampton:** Whatever.

**Hon Mr Baird:** They'd call it centre.

**Mr Hampton:** I think I'm paraphrasing you in using that topology. The point is, if you care about the workers and if you care about the hydro consumers—OPG has said that if British Energy goes down and Bruce Power

goes down as a result of that, OPG would have to take over.

**Hon Mr Baird:** I haven't heard any single suggestion that Bruce Power would go down in terms of British Energy's problem. It's a commercially viable organization. I think there's a lot of interest out there. If British Energy didn't want to be involved, there would be people lining up to—

**Mr Hampton:** The federal nuclear safety authority has required this company to show that on a week-by-week basis they have enough money to conduct a safe shutdown. That's unusual, don't you think?

**Hon Mr Baird:** They're required, under their licence, to do that regularly. It's more regular now because of the concern, and they're being vigilant, which I don't think is a bad idea. Their regular filings require that to take place.

**Mr Hampton:** I'm asking you, from the perspective of hydro consumers and hydro ratepayers, don't you think that people across Ontario, both as consumers and as the citizens of Ontario, deserve to know what risks they are open to and what responsibilities they'll have to take on, or is that just something that should remain a corporate secret?

**Hon Mr Baird:** Well, it's not a corporate secret, because we've had the Provincial Auditor look at it and we've had the federal regulator look at it. So it's not a secret.

**Mr Hampton:** I'm asking you about the public of Ontario. Don't you think they deserve to know that?

**Hon Mr Baird:** If there's no reason why it shouldn't be released, I'm happy to look at the issue. I'd want to look at that first.

**Mr Hampton:** I want to give you a Hansard. And I'd be happy to provide you with one as well, Chair. You can have a look at it.

It was my question to Jim Wilson on May 16, 2001, about California. I just want to read Mr Wilson's reply: "I've said time and time again that we are not California, nor are we Alberta. We have the opposite problem of California and Alberta. We have plenty of supply."

In view of the market surveillance panel's finding, would you agree that Mr Wilson was wrong?

**Hon Mr Baird:** Firstly, this wouldn't compare to the statement which you ascribed to him earlier. I'd like to get the Hansard of the committee and compare it directly against that.

**Mr Hampton:** No, his statements are more over the top than I ascribe to him.

**Hon Mr Baird:** I don't agree.

The independent market operator, and I read the quote in their most recent 18-month outlook, said: "The energy production capability is generally expected to be well above energy demand levels in each month of the outlook period.... No additional energy is expected to be needed to meet the Ontario forecast energy demand."

I do, however, take the issue seriously, take both their 18-month outlook and the report released yesterday seriously. I think we do need more energy generation on-line. That's why we talked about the need to get Bruce A



on-line. We talked about the need to get Pickering A on-line. We talked about the need to see the successful completion of a number of projects that are under construction at present. We also need to see some of the projects which have advanced several stages move forward.

**Mr Hampton:** One of the other problems with the deregulated privatized market that you're setting up was identified this summer. Local distributors, ie, municipal distributors, of electricity are having major financial problems because they collect from their customers up to two months after they are required to pay the generators through the IMO. In fact, many electrical distributors had to go out and organize multi-million dollar lines of credit in order to get themselves through the summer.

Is that a satisfactory system for you, that under the system your government has designed, municipal distributors of electricity have to go out and arrange for multi-million dollar lines of credit to hold this system together?

**Hon Mr Baird:** On that issue, I think it's a reasonable concern. I've certainly indicated to the Electricity Distributors Association that I'm prepared to work with them on it.

This evening I'll be meeting with, among other people, Hazel McCallion, on it. I know with the hottest summer on record in more than half a century, that had some significant problems for customers. I suppose the difference is that in the past, it would have been all behind closed doors and Ontario Hydro would have had to borrow the money.

The Independent Electricity Market Operator has established a deferred payment plan for local distribution companies who want to participate in a program that they've established. This program provides bridge financing to distributors enrolled in the program to accommodate a local distribution company that encounters cash flow problems attributable to a sustainable spike in electricity prices.

I think it is a particular challenge, and I acknowledge that. It's one on which I'm certainly prepared to work with our municipal partners. I know Chris Hodgson has talked to some of the municipalities about this, and I will as well with the members of the EDA.

**Mr Hampton:** So I want to be clear: you're not satisfied with the current situation?

**Hon Mr Baird:** I think it's a concern, sure.

**Mr Hampton:** What are you going to do about it?

1730

**Hon Mr Baird:** I'm meeting with, among other people, the EDA in the coming weeks, and even as late as 45 minutes from now with, among other people, Hazel McCallion. That's one of the issues I'll be raising with them.

**Mr Hampton:** One of the other issues out there: distributors are charging customers, especially tenants, people who have to move from one apartment to another and small businesses, incredibly large deposits. This is because they in turn are required to put up \$1 billion in security to guarantee generators, through the IMO, that

the generators will get paid. This is causing financial hardship for customers, including many low-income people and small businesses.

But what is really galling is that the local electricity distributors are responsible if one of the electricity retailers that you've created goes bankrupt. Will you remove distributor responsibility for paying off retailer contracts if retailers default? Why should a distributor be responsible for one of these retailers that you've created?

**Hon Mr Baird:** The OEB has a working group on this issue and I think that will be one of the major things they look at. I want to hear their advice and their counsel.

**Mr Hampton:** Will you reduce the amount of security that retailers have to put up?

**Hon Mr Baird:** The OEB has a working group on this issue. Too often we get criticized for not consulting enough. They have a working group. I look forward to receiving the results of that effort.

I certainly appreciate that for some it is a concern, not just with respect to residential consumers but, as well, small businesses or a medium-sized enterprise. The CFIB has identified this as a concern. So we'll look at the results of the working group.

**Mr Hampton:** From what I can see, you're talking about \$1 billion in security deposits, and you're talking about I don't know how many billions of dollars municipal utilities have had to go out and borrow in terms of bridge financing and what the cost of that is going to be. But under your system, all of that now falls on the consumer. Why should the consumer essentially be picking up a whole bunch of charges that in the past they weren't responsible for?

**Hon Mr Baird:** If Mr and Mrs Smith didn't pay their hydro bill, who would have paid it?

**Mr Hampton:** All I'm saying is—

**Hon Mr Baird:** If Mr and Mrs Smith, who live in Kenora or Nepean, didn't pay their hydro bill, who is going to pay for it? Tinkerbell?

**Mr Hampton:** What's happening is that we're seeing a whole bunch of these new charges. Municipal utilities went out and had to organize multi-million dollar lines of credit, which don't come cheap. There are incredible interest charges there. As well, small businesses and people living on fixed incomes have to pay these huge deposits to cover off a liability that's not theirs; it's the liability of these electricity retailers you've set up. Why should consumers have to cover all of these charges? I'm asking you, what are you going to do about it?

**Hon Mr Baird:** Consumers have always had to be responsible—

**Mr Hampton:** No, they haven't.

**Hon Mr Baird:** If Mrs Smith in Kenora or Mr Smith in Nepean didn't pay their hydro bill, who the heck do you think paid for it? That sort of loss was spread out among all customers, or they just got out the good old Ontario Hydro credit card and ran another bill through it. There is a working group on it. I await to hear the advice of that working group.

I guess, like everything, it's important to have a reasonable balance. Some 75% of consumers aren't with retailers; they're with their LDC. In Nepean, if my next-door neighbour doesn't pay his hydro bill, I'm not crazy and it doesn't take me long to figure out who is going to pay for it. All the other people on the street are going to have to pay for it. Is that fair? No. That's why in some instances they're asking for a security deposit so that consumers don't end up having to pay for it.

When they do that so that others don't have to pay for it, you don't like that, and of course you don't like consumers having to pay for it. You have to make a decision and go one way or the other. Some 75% of people aren't with retailers. They haven't made any change. So whether it's Hydro One or whether it's their LDC and they don't pay, someone has to take it up. Do you think the government should pay? Do you think Tinkerbell should pay? Do you think the other customers should pay? Someone's got to pay.

**Mr O'Toole:** Floyd Laughren.

**Mr Hampton:** I want to go back to your reference to the electricity rebate. As I understand it, Ontario Power Generation has applied to the Ontario Energy Board and they want, in effect, credit. They want to cut whatever rebate is established by 20% because the company leased the Bruce nuclear facility to a subsidiary of British Energy. So whatever rebate is finally established, they want credit for that 20%. Do you support OPG in that, or are you opposed?

**Hon Mr Baird:** In that question, you've said both that they've established a rebate and whatever rebate is established—

**Mr Hampton:** No, I said whatever rebate is—

**Hon Mr Baird:** But you also that the rebate had been established. You can't cut a rebate that hasn't been established. You used both—

**Mr Hampton:** I'm using your words.

**Hon Mr Baird:** You used both.

**Mr Hampton:** Well, I'll use your words. You say the rebate hasn't been established. What they're saying is, using your terms—

**Hon Mr Baird:** And they'll give information—

**Mr Hampton:**—whatever rebate is established, they want a 20% reduction.

**Hon Mr Baird:** I don't accept the word "reduction." I think what I've said is that a rebate, a number, will be established based on how many terawatt hours we use in the province and based on OPG's market share. I believe that it should go forward as advertised.

**Mr Hampton:** Do you think Ontario Power Generation should get credit for the Bruce nuclear lease or not?

**Hon Mr Baird:** Why would they bother applying to the Ontario Energy Board if the Minister of Energy can just take out his magic wand and decide for them?

**Mr Hampton:** I'm simply asking you, what's your government's position?

**Hon Mr Baird:** I think it should go forward as advertised, and I think the Ontario Energy Board will

make the determination of what Ontario Power Generation's market share is.

**Mr Hampton:** I can't understand the problem you're having. Your Premier says that they shouldn't get credit, so are you with the Premier or not?

**Hon Mr Baird:** I'm with the Premier. He says it should go forward as advertised.

**Mr Hampton:** He's saying that they shouldn't get credit.

**Hon Mr Baird:** That it should go forward as advertised.

**Mr Hampton:** So I'm going to go back to my original question: has OPG withdrawn their application for that credit at the Ontario Energy Board or not? Is OPG following government policy or are they defying government policy? The consumers deserve to know. Which is it?

**Hon Mr Baird:** OPG is going to follow the rebate scheme as it was advertised.

**Mr Hampton:** So what the Premier said is baloney.

**Hon Mr Baird:** It's exactly correct, that it's going to go forward as advertised.

**Mr Hampton:** Look, as advertised, as it was set out, whatever they lease out or whatever they sell, they are supposed to have the rebate reduced.

**Hon Mr Baird:** I don't accept your terminology of "reduced." You know that. If you want me to say it a 10th or 20th time, I will.

**Mr Hampton:** Well, do you agree with the Premier or not? He says OPG should not get a 20% credit for the Bruce nuclear lease. Do you agree with him or not? Why are you having such trouble either agreeing or disagreeing with the Premier?

**Hon Mr Baird:** I agree with the Premier when he said in the House, on page 1834 of the Legislative Assembly of Ontario, October 3, 2002, "I indicated this morning that I expect the rebate program to be as advertised by OPG and I expect the people of Ontario to be entitled to their rebates." I agree with him.

**Mr Hampton:** Do you also agree where he says it's time for the energy ministry and the minister to review whether the existing rules are, quite frankly, appropriate? Do you also agree with him on that?

**Hon Mr Baird:** We're reviewing the entire energy board. We announced that yesterday.

**Mr Hampton:** One of the other issues I wanted to ask you about was Hydro One. Why is the government offering potential buyers of up to 49% of Hydro One secret information about the company that is not available to the public?

**Hon Mr Baird:** I think it probably just involves, more than anything, confidential commercial information in the marketplace. I'm going to go out on a limb and suggest you're not going to accept that.

1740

**Mr Hampton:** There is only one electricity transmitter in the province; that's Hydro One. Why would somebody be offered information that has to be kept secret from the public?



**Hon Mr Baird:** There's more than one transmitter. There is Great Lakes Power, for example, in one part of the province, which you have spoken about. There is Great Lakes Power, you have spoken about that in the House yourself; Canadian Niagara Power, Five Nations Energy, Cedar Rapids Transmission. Those are just a few. Plus there are a whole bunch of distribution assets in there in terms of Hydro One's role as an LDC, as a distributor not just a transmitter.

**Mr Hampton:** So it's your position that the public of Ontario can't know about what its obligations are in terms of the Bruce nuclear station should British Energy go belly-up. The public of Ontario is not going to get to see the information that a private corporation would see with respect to Hydro One. Yet it's the public of Ontario that pays all the bills and assumes all the obligations. Can you tell me what the rhyme or reason is to this?

**Hon Mr Baird:** I think the record will show that on two occasions I said to you that there wasn't a reason why it shouldn't be made public, that it would be with respect to Bruce. I think the record will show I said that twice. I'll look into it. I am going to suggest that it probably won't be, but I'm happy to review the issue and I think the record would show that.

I suppose for your ability to pound your fist on your chest, that makes it a bit more colourful.

**The Vice-Chair:** Time is up. Mr O'Toole or Mr Mazzilli.

**Mr O'Toole:** We'll probably share it. I'll just start off here. I just wanted to spend a bit of time—my riding is Durham, and in Durham there are two nuclear stations, and the one I am asking questions on is OPG Pickering and the Pickering A unit. You would know that basically it has been out of service since 1996, 1995, somewhere in there. There's an extremely complicated decision to re-engineer that particular reactor, which is four reactors, really, in Pickering A. It's been complicated. It's my understanding the federal environmental assessment has added a number of new licensing conditions and a lot of other reasons.

I remember sitting here with the nuclear select committee listening to NAOP, the nuclear asset optimization plan, and in that I think there was a certain amount of money allocated to execute that task. I think it was about \$3 billion in that plan that was permitted to be spent on the re-engineering of that particular site. You could maybe confirm that for me in your response.

I'd like an update, if I could. It is my understanding that the \$2 billion that it's estimated the cost would be to bring that plant into compliance and production—I guess there are two parts to it. One is that we are expecting, some time in early 2003, that we would have the first reactor of four up and running, and I guess that cost is \$2 billion or something. Subsequent to that there would be the second reactor and then the third reactor and the fourth reactor, eventually creating some 2,000 megawatts of energy, which is very important in this whole supply equation that we've been discussing.

Could you give us some sort of estimate or crystal-ball picture on what the prognosis for Pickering is. It's an

important issue to the economy and certainly to the economy of Ontario, not just in terms of the Durham region, to find a reasonable and safe, sustainable nuclear solution. I guess my question is, could you give us some kind of sketch there on what you see as the plan for this coming on-line? If I spend \$2 billion, I get one reactor. What's going to be the cost to get number 2, number 3 and number 4, and what's the timeline? This is a huge part of building up the supply.

When I compare that to the successful implementation of the rejigging of the Bruce situation, how come they come in on time, under budget? Is there something we should be doing there to get this thing moving along? I know they had to move out Mr Preston; he had to go back to the United States with his pension. Is there something we should be doing there? I think you've got the gist of my question.

**Hon Mr Baird:** You're obviously tremendously concerned about this because a good number of your constituents are directly affected. But all of our constituents are affected with respect to the power supply at Pickering.

To put it in context, the return of Pickering A is the largest project of its kind in Canadian history and certainly one of the largest rehabilitation projects in North America. I don't think you can compare it directly to Bruce; certainly Bruce has done to date, from what's been reported to me, a good job on that. I'm skeptical. It sounds good but I want to see more to be able to make a determination as to where it stands. But to put it in context, there are about 35,000 tasks taking place, including replacing or updating many of the major components. There are about 1,300 building trades, 700 engineers and project support and about 1,000 OPG employees working on the project at this time. Unit 4 in Pickering A is the first one they're working on; then unit 1 would follow that.

A substantial amount of effort, obviously, goes into it. I don't know whether it would be fair to call it unit 0, but obviously in terms of some of the engineering work and the base work that would apply to 1, 2, 3, 4 reactors has to be done at the outset.

You're right; it has been a difficult process. Some of the work has been done to deal with earthquake issues, earthquake-proofing issues. Other work has been done for environmental issues. Whenever you're dealing with nuclear technology, obviously it's safety to the 100th percentile. They have a huge requirement, understandably so, with the federal regulator, which I would support, on everything: go well above and beyond the call of duty with respect to safety. I used the example before that it's almost like doing brain surgery in a space suit. If someone were to go in, for example, for 10 hours' work, they may only get three hours' worth of work done in that 10 hours, just for safety reasons because it's such incredibly specialized work, particularly when you're in the reactor core.

This is an issue on which I'm working closely with executives and the board at OPG. I met with them on



Monday for three or four hours on this issue and we'll be getting together again next week. They have regular public filings they've got to make to the IMO; one, I understand, is coming up.

**Mr O'Toole:** So you're looking at units 1 and 4.

**Hon Mr Baird:** At 4 and 1.

**Mr O'Toole:** And then 1. What's the prognosis for 2 and 3?

**Hon Mr Baird:** They'll follow 4 and 1.

**Mr O'Toole:** What are we looking at in terms of timeline? Is this about a year each?

**Hon Mr Baird:** I wouldn't see any more than that.

**Mr O'Toole:** I look at the overall expenditure. Is this in their operating budget now, all this money, or is this part of their ability to build more debt? How are they actually paying for it?

**Hon Mr Baird:** There's an accounting treatment of this that I'm looking at. The one area you try to keep your eye on, not just the internal rate of return, but what is the production cost going to be for electricity; that would make it, obviously, whether it's commercially viable or not. Everything I've seen to date suggests that it is. There are a bunch of areas where I've asked for more information. I've been on the job for 40 or 50 days and better people than I over the past 40 years have been told stories from the former Ontario Hydro. So you ask a lot of questions. That's some guidance that I've got from my caucus colleagues.

**Mr O'Toole:** It's an important question, I guess, from a cost point of view. When they say here that it's going to operate at about four cents a kilowatt hour, is that the actual cost of maintaining the asset? Going forward, those plants have a life expectancy. It's my understanding that at one time it was 25 years, and in the 1995

financial statement they changed the calculation for the life expectancy to 40 years, which diminished the debt. To me the situation is—

**Hon Mr Baird:** That's a good question. There are three issues there, I suppose. One is what their likely licence period would be. They have to go for two years, so I would say it would be fixed, but they're normally, I think, 40 years. Obviously, in 40 years of operation there is the issue of whether you could count the time that they've been down for repairs—like if your car is off the road and in a garage—as far as the regulator. That won't be determined by me or by OPG but rather by the federal regulator. I do know in some other examples around the world they have been able to extend the life beyond the initial period, and that will be another issue for the federal regulator. Obviously, it only would get better and better still.

**Mr O'Toole:** I get monthly reports from OPG generally. They show all of the stations, their up-times, scheduled outages, unscheduled outages—which is a neat term for “down”—“unplanned outage,” they called it, I think. My question there is, what is the operating efficiency of those plants? They always put the best business plan forward showing it running at 80% or 85%. What are they running at? What are the B units running at? Are they running at 60%, 70% or 80% of capacity?

**Hon Mr Baird:** Normally the—

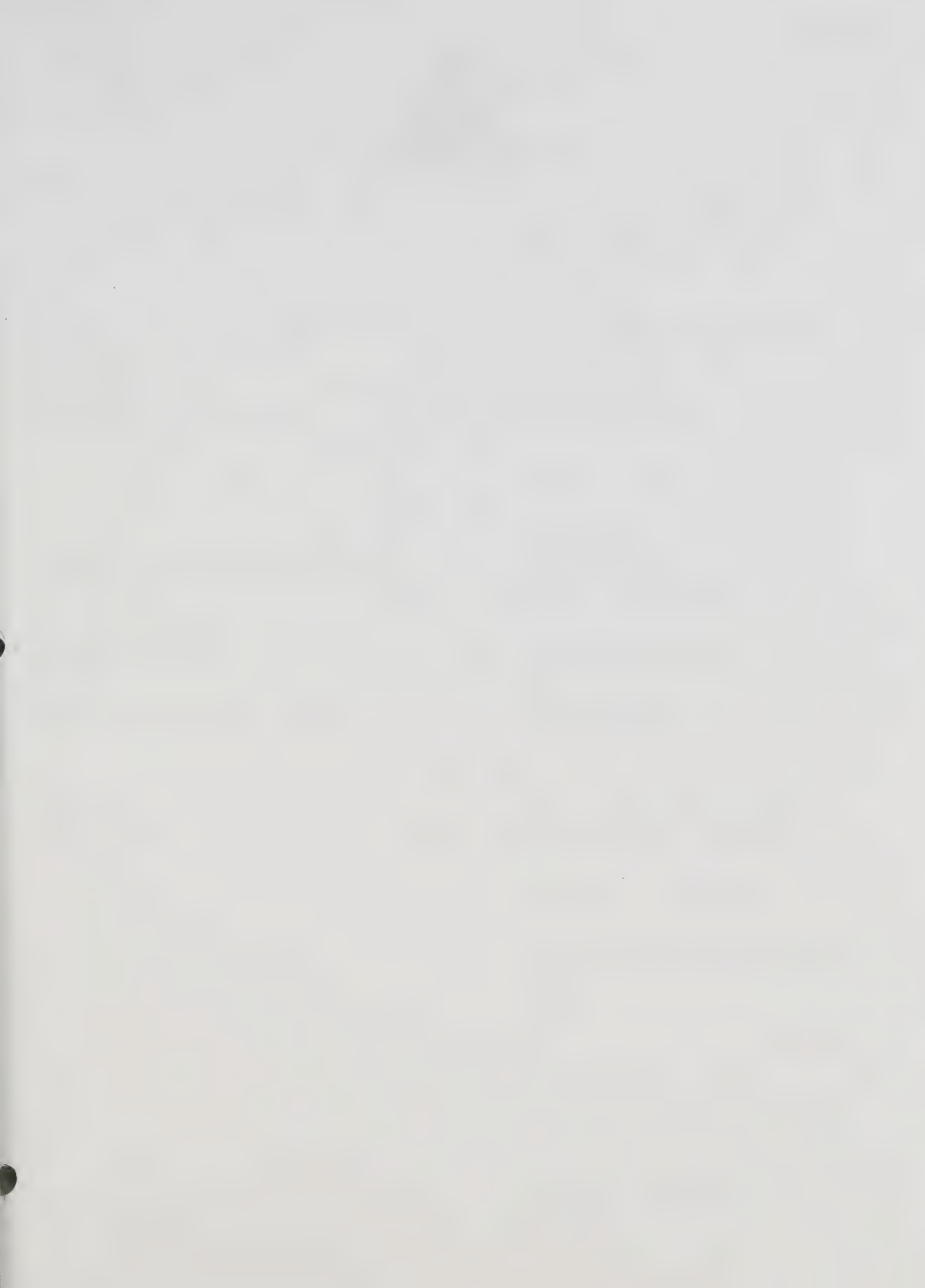
**The Vice-Chair:** There's a bell for the House now. I just wonder if we could ask for adjournment of the estimates committee today until we resume the next time. I know there are no estimates on Wednesday. Have I got unanimous consent to that? Yes. We stand adjourned until then.

*The committee adjourned at 1751.*









# CONTENTS

Tuesday 8 October 2002

<b>Ministry of Energy</b> .....	E-155
---------------------------------	-------

Mr John R. Baird, Minister of Energy

Dr Bryne Purchase, Deputy Minister of Energy

## STANDING COMMITTEE ON ESTIMATES

### **Chair / Président**

Mr Gerard Kennedy (Parkdale-High Park L)

### **Vice-Chair / Vice-Président**

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gilles Bisson (Timmins-James Bay / Timmins-Baie James ND)

Mr Ted Chudleigh (Halton PC)

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gerard Kennedy (Parkdale-High Park L)

Mr Frank Mazzilli (London-Fanshawe PC)

Mr Norm Miller (Parry Sound-Muskoka PC)

Mr John O'Toole (Durham PC)

Mr Steve Peters (Elgin-Middlesex-London L)

### **Substitutions / Membres remplaçants**

Mr Michael Bryant (St Paul's L)

Mr Howard Hampton (Kenora-Rainy River ND)

Mr Joseph N. Tascona (Barrie-Simcoe-Bradford PC)

### **Clerk / Greffier**

Mr Trevor Day

### **Staff / Personnel**

Ms Anne Marzalik,

Research and Information Services

CA20N  
XC26  
-E77



## Legislative Assembly of Ontario

Third Session, 37<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Troisième session, 37<sup>e</sup> législature

# Official Report of Debates (Hansard)

Tuesday 15 October 2002

# Journal des débats (Hansard)

Mardi 15 octobre 2002

## Standing committee on estimates

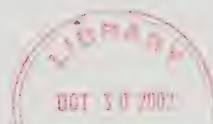
Ministry Of Energy

Ministry of the Environment

## Comité permanent des budgets des dépenses

Ministère de l'Énergie

Ministère de l'Environnement





### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Copies of Hansard**

Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

### **Exemplaires du Journal**

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.



## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Tuesday 15 October 2002

Mardi 15 octobre 2002

*The committee met at 1534 in room 228.*

## MINISTRY OF ENERGY

**The Chair (Mr Gerard Kennedy):** I'll call the meeting to order. Thank you, everyone, for attending. Thank you, Minister. There are 54 minutes left in the energy portion of estimates. The government has 10 minutes remaining in their rotation. The remaining time, approximately 44 minutes, will be divided equally between the three parties, so that gives you about 14 minutes and 40 seconds, if everyone behaves.

For the notice of the members, the following ministry, the Ministry of the Environment, has asked that tomorrow the minister leave half an hour early. Ordinarily we would grant those requests as a matter of course. Anyone who would like to raise an objection can do so now. The half an hour, of course, isn't lost to the estimates process but is added on. Hearing no objections, then, we'll proceed. The government caucus, please.

**Mr Norm Miller (Parry Sound-Muskoka):** Welcome back, Minister. I hope you had a nice Thanksgiving weekend with your family. I just have a question to do with fixed-price contracts. Certainly in the spring there was a lot of press to do with unscrupulous energy retailers. I'm wondering what we as the government are doing to protect consumers from unscrupulous energy retailers.

**Hon John R. Baird (Minister of Energy, minister responsible for francophone affairs):** Certainly there were additional measures put in through Bill 58 this past spring on the consumer protection side. The government then has followed up with more comprehensive legislation in a number of areas with Minister Hudak in the legislation that he introduced. The fixed price, though, is much like a mortgage. When people buy a home, some are uncomfortable with a floating rate. I know when I first bought a home when I was a young person, I could afford the 6.5% mortgage; I couldn't have afforded a mortgage at 10%. So to me, for the security of it, it was worth paying 7.5% or 8% if I knew it was capped for five years, because I simply couldn't have afforded more. Some people will make a decision with respect to fixed-price contracts if security or peace of mind is important or if they think, in their judgment, it is a good market decision that they would make as a consumer, as they would in most other personal finance decisions that they

make, similar to their mortgage or to a car loan or to other commodities which they buy.

**Mr John O'Toole (Durham):** I'm very interested as a former member of the alternative fuels committee. They did a lot of work looking at current modes of generation and future modes of generation. I know there were a lot of imaginative suggestions put forward by all three parties, I might say, in a unanimously adopted report. I'm just wondering, on a general level, have people in your ministry given any attention or is it your understanding they will be giving attention to such issues as time-of-rate metering? That would be a very interesting phenomenon, for instance, if people really knew what the time of rate was and that it was specific to the user at the end. Today the price gets sort of blurred in and it's hard to differentiate between the consumer, who's actually trying to conserve consumption—in other words, off-peak-load demand.

The other one is the suggestion of generators in the future using net generation or being able to generate back into the grid.

Another issue was the renewable portfolio standards. This is, any new generation coming on line would somehow qualify for some tax measures or other mechanisms to reduce the cost of their bringing on new forms of generation. For instance, wind power is prohibitively expensive at the moment, the way it's marketed. Its place in the market needs to be supported. So renewable portfolio standards is another policy discussion that needs to occur to find mechanisms for encouraging new forms of generation.

There were a number of other recommendations that I felt quite supportive of and, as I said, were unanimous. I'm just wondering, has the ministry given or are they planning to give any attention to the policy debate or to implement any of the recommendations in the report? I know it's a very general, open question, but there was a lot of hard work, I think a very productive series of meetings supported by both the Liberals and the NDP, knowing full well that what we have to do is not just provide more generation but sustainable forms of energy in the future.

I saw a very interesting article the other day that said it took more power to produce a kilowatt of power from ethanol. To create a unit of power from ethanol, it took more power to create that energy. So there have to be a lot of detailed discussions going forward on how we

support or how we encourage investment in new forms of sustainable energy, such as, in my area, methane gas from dump sites.

These things don't seem to be part of this very important debate. I'm sure your ministry is looking forward to working through a number of over 100 recommendations that were in that report.

I've thrown it to you to respond in whatever you'd like to take it.

1540

**Hon Mr Baird:** On the one issue you raise, specifically a renewable portfolio standard, the government and I have asked Steve Gilchrist, who was a member of the committee and who also works as my parliamentary assistant, to consult with stakeholders, interest groups, environmental groups and the industry, and come back with some recommendations on that.

I think there are a lot of good suggestions in the report. In many areas they ask us to look at things. In other areas there are specific recommendations made. Some are tax-based, which I know the Minister of Finance will want to consider as she prepares her budget. Others are more specific, whether it's to the Ministry of Energy, the Ministry of the Environment, or to OPG, on whose behalf I report to the Legislature. There's certainly a good amount that can be done.

I do think it's important that you look at the life cycle. When you look at natural gas, you shouldn't just look at the effects in generation. You should look at its whole effect, from extraction and transport and whatnot, and what is the cumulative effect, because often that can be hidden.

On methane gas, for many years in my community they wanted to cap the methane coming from the Trail Road landfill site. They estimate that would be enough to provide electricity for 8,000 to 12,000 people, even perhaps as big as the community of Bells Corners, where I'm from. That of course would be a dual benefit, when you would be capping methane.

We want to talk about renewable sources of energy, but emerging renewables is probably a better line, because obviously nuclear and hydroelectric are renewable. In many of our neighbouring jurisdictions or jurisdictions just south of us, in our airshed, if we could get hydroelectric or nuclear done there, that would be a renewable form, because a good number of them use a substantial amount of coal as part of their mix. Many of them don't use the low-sulphur coal but use less environmentally beneficial brands, which we used in Ontario in the past, a greater mix of that bad coal.

The government is working on reducing the barriers to net metering. Generators which have net metering agreements with local distribution companies have been exempted from requirements to obtain a generation licence. That's something we could all do. How do you reward or give an incentive to a consumer to reduce consumption at peak hours? Wanting them to be part of the collective, "We're all in the same boat," wanting them to help out with the problem is a noble goal, but if they had some

incentive—small things could be those little timers that people can put on their thermostats; it will save them money. If they're using less air conditioning or heat during the day when they're not home or in the evening when they're asleep, substantial resources can be done, particularly in peak hours, or even something as simple as a timer on a dishwasher. I have a new dishwasher with a timer on it so you can perfectly set it to come on and off at peak hours. I think if we could provide greater incentives for consumers, that would certainly be part of the mix. It's not the whole answer, but I think it's part of the solution.

**The Chair:** Two more minutes, Mr O'Toole.

**Mr O'Toole:** There are a couple of other's with questions here.

**Mr AL McDonald (Nipissing):** I wanted to ask a question regarding the Union Gas retroactive charge back to businesses and homeowners. Having owned a business where rates were decided upon by a third party, which in our case would have been the municipality, if we lost money as a private business, obviously we didn't have the recourse to go back to all our customers and say, "Sorry, the municipality didn't set the right rate, so we're going to charge each homeowner X number of dollars to recover."

In your opinion, how can Union Gas go back and charge consumers of natural gas for charges that were in the past? Secondly, how can they ask for this retroactive charge to homeowners or businesses that may not have been on natural gas for the last two years?

**Hon Mr Baird:** You've asked a good number of questions. A natural gas company is a regulated monopoly in Ontario, whether it's Enbridge or Union Gas. There is a regulated rate of return. They're entitled to get a return, which is set by the Ontario Energy Board.

I'll give this by way of facts rather than commenting on it first. In December 2000, January 2001 and February 2002 we saw the cost of natural gas spike to some four or five times greater than it is today. When we talk about a spike, it was quite substantial. It didn't spike for five minutes or an hour during the day; it spiked for a few months. There are a good number of reasons, which I could go into, why people thought, after the fact, that that happened.

Union Gas argued to the Ontario Energy Board that a certain amount of natural gas is required in the system to keep the pressure up and to facilitate—

**The Chair:** Minister, we've run out of time for this round. Hopefully that dialogue can continue in the next opportunity.

As mentioned, we now come to approximately 14 minutes, 40 seconds for each of the three parties to use up the remaining time. We turn first to the official opposition.

**Mr Michael Bryant (St Paul's):** Minister, I want to touch on Pickering A refurbishment again. When we were last discussing this in estimates you had said that, yes, the May 2002 deadline had passed for the refurbishment of Pickering A, and I asked for—



**Hon Mr Baird:** Sorry, can you repeat that?

**Mr Bryant:** The latest Pickering A refurbishment deadline had been May of this year. That has come and gone and refurbishment is not completed. That's right?

**Hon Mr Baird:** That's not what I reported, no.

**Mr Bryant:** What's the deadline for the Pickering A refurbishment?

**Hon Mr Baird:** If you're talking about a May 2002 deadline, are you saying I reported that to the committee last week?

**Mr Bryant:** No, no. That had been the previous deadline. It has come and gone.

**Hon Mr Baird:** I don't think it was the previous deadline because it would have passed.

**Mr Bryant:** What is the deadline?

**Hon Mr Baird:** There's not a number, as I said to the media last week, which was reported in the clippings which I'm sure you received and would have read.

**Mr Bryant:** You spoke to this in estimates as well. You said that there isn't a deadline right now.

**Hon Mr Baird:** I didn't say there wasn't a deadline. I said there was not a deadline which I felt comfortable standing behind.

**Mr Bryant:** There's not a deadline which you feel comfortable standing behind?

**Hon Mr Baird:** That was reported in the paper. It's what you saw in the clippings, so don't look at me with utter shock in your face.

**Mr Bryant:** Why are you not comfortable standing behind the deadline?

**Hon Mr Baird:** Behind what deadline?

**Mr Bryant:** You said that there is a deadline.

**Hon Mr Baird:** No. You said initially, sir, that I said at this committee last week that there was a deadline of May 2002. I didn't.

**Mr Bryant:** When is the deadline?

**Hon Mr Baird:** What I said was that I've been working with OPG over the last 40 or 50 days. I've had meetings with them probably just about every week to discuss this issue, not just with respect to reactor number 4 at Pickering A, but reactors number 1, 2 and 3. As a matter of course, because they're required to, they'll have to make reports. Before I make a public comment on it, I would want to be satisfied with the amount of information I have received. I've asked for additional information and I'll be reviewing that in the coming days.

My job is to act as the shareholder, to ask the tough questions which the people of Ontario would want to be asked, and to get answers. When I get information, often that requires me to ask more questions.

**Mr Bryant:** Do you think getting it refurbished by 2015 would be satisfactory?

**Hon Mr Baird:** I'm not going to play games, sir.

**Mr Bryant:** Is a deadline of 2003 satisfactory?

**Hon Mr Baird:** I'm not going to play that game.

**Mr Bryant:** Are you refusing to answer this question?

**Hon Mr Baird:** I'm not going to play that game.

**Mr Bryant:** Are you taking the Fifth on the refurbishment of Pickering A?

**Hon Mr Baird:** Get a grip.

**Mr Bryant:** Get a grip? No. I'm saying that the government set deadlines. There used to be a deadline for refurbishment of Pickering A, and now you're saying that there isn't one you can stand behind because of the incompetence of this government, and you're telling me to get a grip. I'm asking you, when is the deadline? You're not giving me an answer. When's the deadline?

**Hon Mr Baird:** Skip the cheap theatrics.

**Mr Bryant:** When's the deadline?

**Hon Mr Baird:** Skip the cheap theatrics.

**Mr Bryant:** When is the deadline? I'm not going to take a lecture about cheap theatrics from somebody who throws syringes around in a photo op. When is the deadline for the refurbishment of Pickering A? You won't answer the question.

**Hon Mr Baird:** I've responded.

1550

**Mr Bryant:** You won't answer the question. Salaries—

*Interjection.*

**Mr Bryant:** Mr Osborne's salary—the CEO of Ontario Power Generation—you said last time around had been reviewed and that it was reasonable. That's what you said when we were discussing this last time around.

**Hon Mr Baird:** I said the review said it was reasonable, given his background, experience and where he was recruited from.

**Mr Bryant:** Why is the CEO of Ontario Power Generation's salary reasonable when the salary of the CEO of Hydro One, Ms Clitheroe, which is within a few hundred thousand dollars of Mr Osborne's—why did that result in her firing but it results in the assessment that his salary is reasonable?

**Hon Mr Baird:** After I became Minister of Energy, we asked Towers Perrin, an acknowledged expert in executive compensation, to review the salaries of senior executives at Ontario Power Generation. I'm happy to table their comments with respect to Mr Osborne with the committee. They said in their examination that it was reasonable, given his background, given where he came from, given that Hydro One operated as a regulated monopoly and Ontario Power Generation operates in a competitive marketplace, that the salary structure for each should be substantially different. That is what the experts told me. That is what the people who earn their living in this every day told me. I think it was an appropriate step to review the issue in light of the public concern, in light of the responsibility that I hold. We did it and that was their judgment, based on his responsibilities and background.

I think we could have a great discussion about the appropriateness of salaries in this country and in this world, whether it's sports players, the business community, lawyers on Bay Street, nurses or those people who work with the developmentally handicapped, an area I've worked very hard in. The reality is, in some professions there is a premium, there is a greater salary level paid. I'd love to see that change but we operate in

the real world and I want to make sure that we have someone with experience, someone of talent to be working for the company.

**Mr Bryant:** I'm just wondering how it came to pass that Ms Clitheroe received the salary that she did. When the government authored Hydro One's articles of incorporation, your government appointed the board of directors, your government gave the former board of directors of Hydro One the power to deal with compensation and you approved all the bylaws of Hydro One. How did it come to pass that Ms Clitheroe's salary would have ended up over \$2 million and her successor's salary is now \$400,000? How did that happen?

**Hon Mr Baird:** I wasn't at the ministry at that time. I can say the government, the Premier and the previous minister took the issue incredibly seriously and dealt with it expeditiously on June 27. Legislation was passed by the Legislative Assembly. Work went on over the summer months with the new board and I stand behind their actions in this regard.

**Mr Bryant:** But will you stand behind the actions of the Minister of Energy circa January of this year, which permitted this executive compensation to persist? Will you stand by those actions?

**Hon Mr Baird:** I'm telling you, as minister, I obviously took the issue seriously enough that I conducted a review of the other of the two major corporations that report to the Legislative Assembly through me. I think Mr Wright and his board have done a good job in dealing with the follow-through of the legislation that passed on June 27.

**Mr Bryant:** But I asked you something else, actually.

**Hon Mr Baird:** I can't speak to what happened in terms of a specific individual who is not here at the table.

**Mr Bryant:** Yes, but there's only one Minister of Energy and that's you.

**Hon Mr Baird:** I know you asked a lot of questions in the House of my predecessor. I don't know whether you asked any questions—a lot of these issues were debated ad nauseam. Obviously the position of the government was the legislation passed on June 27, and then the follow-through and the implementation of it was judicious.

**Mr Bryant:** You said you can't speak for your predecessors, but who can speak for the Ministry of Energy if not the Minister of Energy? Why can't you speak for your predecessors as the current Minister of Energy?

**Hon Mr Baird:** What's your question?

**Mr Bryant:** Do you stand behind the Minister of Energy's decision in January of this year to permit the executive compensation packages that resulted in a more than \$2-million salary for Ms Clitheroe, which obviously you object to?

**Hon Mr Baird:** You're saying the Minister of Energy signed a contract with Eleanor Clitheroe?

**Mr Bryant:** No, you—

**Hon Mr Baird:** I'm just trying to use your words, sir.

**Mr Bryant:** You're the Minister of Energy.

**Hon Mr Baird:** No, you said earlier—

**Mr Bryant:** You're the Minister of Energy, you're the sole shareholder—

**Hon Mr Baird:** You said just a moment ago "the Minister of Energy" and "a contract in January."

**Mr Bryant:** No, that's not what I said. I said that the minister, as the sole shareholder for Hydro One, permitted, I presume was aware of, an executive compensation package which the government had to reverse, in effect, in June. I understand you stand behind the popular decision in June to fire the board. Do you stand behind the unpopular decision of the Minister of Energy to keep that CEO in place at the salary she was at before all this came out in public?

**Hon Mr Baird:** You've made inquiries within the Legislative Assembly with respect to this issue and—

**Mr Bryant:** So you won't answer this question either?

**Hon Mr Baird:** I'd go back to Hansard. I can't speak to—you've said the Minister of Energy did this; then you've said he was aware of it. Your question has changed a number of times.

**Mr Bryant:** No, you just won't give me an answer. I'm trying to ask it 10 different ways so I can get an answer. Why won't you answer it?

**Hon Mr Baird:** Ask the question again. Maybe you'll get a different answer.

**Mr Bryant:** Do you stand behind the Ministry of Energy's direction, as the sole shareholder of Hydro One, to permit the salaries that you ended up reversing in June?

**Hon Mr Baird:** You're saying the Ministry of Energy made a direction?

**Mr Bryant:** Is the Ministry of Energy the sole shareholder of Hydro One?

**Hon Mr Baird:** The ministry? No.

**Mr Bryant:** Yes, the ministry—

**Hon Mr Baird:** The minister acts as the shareholder.

**Mr Bryant:** Excellent.

**Hon Mr Baird:** The Ministry of Energy did not direct anyone in this regard.

**Mr Bryant:** So as the sole shareholder for Hydro One, what was the Minister of Energy doing prior to the firing of Ms Clitheroe?

**Hon Mr Baird:** I think my predecessor acted fairly expeditiously when it was brought to his attention.

**Mr Bryant:** When it was brought to his attention, but will you stand behind the decision to permit this in the first place?

**Hon Mr Baird:** My predecessor became the minister in April. I think they worked with the previous chair of the board, and then legislation was drafted, introduced and passed in fairly short order to deal with it.

**Mr Bryant:** Back to the rebate—

**Hon Mr Baird:** It's important that the questions be accurate when they're asked. You've sort of suggested that you knew things happened and you tried—

**Mr Bryant:** Did you know things happened? You have to answer for the minister. I understand you weren't there at the time.

**Hon Mr Baird:** What I'm suggesting is that you've got to watch your choice of language, because I think you may be inadvertently make them up as it goes along.

**Mr Bryant:** I'll take that into account, Minister. Thank you.

The rebate: Ontario Power Generation brought an application to the Ontario Energy Board with respect to the rebate. What is the status of that right now? What is OPG seeking?

**Hon Mr Baird:** OPG is required, probably principally with respect to—whether it's the vision of Bill 35, whether it's the work that the market design committee conducted or whether it's the policies that were followed through, everyone acknowledges—and I think you can check the Hansard on Bill 35. I sat on that committee. I think there was a huge concern that the then Ontario Hydro at the time, Genco as it was known during the hearings, would have too much of a share of the market. It was clear that one player having 75%, 90% plus of the market in 1998, that being about 140 terawatt hours, was inappropriate and that we should have a competitive system. Some suggested breaking up the former Ontario Hydro—

**Mr Bryant:** Would that mean less of a rebate or more of a rebate?

**Hon Mr Baird:** Some of them suggested breaking up Ontario Hydro into three or four or five different generation companies.

**Mr Bryant:** Would that mean less of a rebate or more of a rebate?

**Hon Mr Baird:** The rebate hasn't been established yet. It has to be based on the annual average; it has to be based on how much electricity is used in the province; it has to be based on the—

**Mr Bryant:** Will you be making submissions? I'm running out of time.

**Hon Mr Baird:** It has to play its underlying share of the marketplace.

**Mr Bryant:** Will you be making submissions—

**Hon Mr Baird:** There are a number of issues. It's not just with respect to the rebate if it is over—

**Mr Bryant:** Will the ministry be making submissions to the Ontario Energy Board—

**Hon Mr Baird:** It also speaks to the issue of decontrol.

**Mr Bryant:** I'm trying to get a question here, Mr Chair.

**Hon Mr Baird:** You don't want to hear the answer. You keep interrupting.

**Mr Bryant:** No, it isn't an answer.

**The Chair:** It is the opposition's time. He only has a minute or so left.

1600

**Mr Bryant:** My question is, will the ministry, will you, will any representative of the Ministry of Energy be making any submissions on the subject of this rebate to the Ontario Energy Board?

**Hon Mr Baird:** The rebate will be established based on market share—

**Mr Bryant:** Is that a yes or a no?

**Hon Mr Baird:** Anyone is free to participate in that process.

**Mr Bryant:** I don't understand why you won't answer that question. You won't answer that question either. Will you be making submissions or not? Yes or no?

**Hon Mr Baird:** I don't think it's inappropriate that an independent, quasi-judicial body have the ability to make the determination both on decontrol and on the composition of—

**Mr Bryant:** Is that a no?

**Hon Mr Baird:** —composition of the rebate. I think it's important that the board look at these two issues. They'll have to get input from a good number of other representatives, not just on the decontrol side but as well on the market share side, which they'll have to get from the IMO—

**Mr Bryant:** Will you provide any direction to OPG or will you make any submissions to the OEB on the subject of the rebate? Yes or no?

**Hon Mr Baird:** We have the ability to with the respect to OPG.

**Mr Bryant:** Will you do so?

**Hon Mr Baird:** On what issue?

**Mr Bryant:** On the rebate.

**Hon Mr Baird:** In terms of the composition of the rebate or in terms of decontrol?

**Mr Bryant:** In terms of the amount of the rebate, whether it will be increased or decreased.

**Hon Mr Baird:** It hasn't been set yet, so it can't be increased or decreased.

**Mr Bryant:** But Ontario Power Generation is currently before the OEB—

**Hon Mr Baird:** You have to take what the price is, you have to take what market is—

**Mr Bryant:** Is that yes or no?

**Hon Mr Baird:** —you have to take the amount of electricity that is used. There's nothing that can be increased or decreased, because no amount has been set. You can say it as many times as you want; it still isn't true.

**The Chair:** Thank you, Mr Bryant.

**Mr Bryant:** You still won't answer my question.

**Hon Mr Baird:** I did answer it.

**Mr Bryant:** No, you didn't. I wanted a yes or a no and I couldn't get a yes or a no.

**Hon Mr Baird:** In life you don't always get a yes or a no.

**The Chair:** We now turn to the third party.

**Mr Howard Hampton (Kenora-Rainy River):** Last week Weyerhaeuser announced they were closing their container board mill in Sturgeon Falls. They're laying off 140 workers. What was not really noticed at the time is that while they were going to lay off 140 workers who work in the mill, they're going to continue to run the hydro generating station and they're going to sell their electricity into the grid. So they're no longer in the business of making paper or container board; they're now



in the business of generating and selling electricity. Does that concern you at all?

**Hon Mr Baird:** Any time you're talking about 140 employees losing their jobs, it's a big concern. In northern Ontario it's a big concern. In my community we have Nortel and JDS Uniphase, two of the biggest employers in the province, who have laid off thousands of people. Whether it's a small business laying off one individual or whether it's Nortel or these 140 employees, yeah, it concerns government. It concerns me as a member of the Legislature and as a citizen in the province of Ontario.

**Mr Hampton:** We've had an opportunity to ask some questions in Sturgeon Falls. We've had an opportunity to ask some questions on the dynamics that led to this. We were told that on the one hand hydro privatization and deregulation increased the cost of hydro electricity, because they can only generate some of their electricity at their own hydro generating station. They have to buy the rest through the IMO mechanism.

**Hon Mr Baird:** They generate seven megawatts. How much extra do they have to buy?

**Mr Hampton:** I don't know all the details. That depends upon the season etc. We were told that what happened is that they got caught in a two-way squeeze. On the one hand, hydro privatization and deregulation drives up the price of electricity, which increases their costs as a container board mill, making them less competitive in terms of producing that paper product. On the other side of the equation, the high price of hydro electricity makes it more attractive to simply shut down the mill, lay off 140 people and make your money selling electricity.

**Hon Mr Baird:** I know it would have been easier if Ontario Hydro just took out the old credit card and borrowed money on the bond market to—in terms of Adam Beck's original vision of power at cost.

**Mr Hampton:** I don't think that has anything to do with this.

**Hon Mr Baird:** What happened in the past, 50 years ago when there was a really hot summer and we had to import power, the old Ontario Hydro, behind closed doors, behind a curtain, would just take the old Ontario Hydro credit card out and go ahead.

**Mr Hampton:** Your government's been running the hydro electricity system in the province for seven years now and—

**Hon Mr Baird:** It's a slow boat to turn around.

**Mr Hampton:** —we weren't having these kinds of problems before you—

**Hon Mr Baird:** It was all behind closed doors. You didn't know how much Ontario Hydro was borrowing.

**Mr Hampton:** —before you started down this road. My question is this—

**Hon Mr Baird:** We weren't building generation; we were just borrowing money. The only people that knew was the bond market in New York. It's cold comfort to the young people in this province who are in their twenties who weren't there when they were borrowing all this money that they have to pay off.

**Mr Hampton:** My question is, there are a number of other paper mills in this province. For example, there's the Abitibi mill in Iroquois Falls which has their own generating capacity. Abitibi recently announced that they're shutting down a machine. You've got the Abitibi mill in Kenora that has some of their own generating capacity; they've announced that they're shutting down a paper machine. You've got Tembec-Spruce Falls in Kapuskasing; the head of Tembec said earlier last spring that if hydro prices increase as a result of deregulation and privatization, they will be shutting down their operations. You've got Abitibi in Fort Frances, where I know from talking with the mill manager that if they face another summer of very high hydro prices, their corporate office will tell them, "Shut down the paper machines and lay off the 800 workers, because you can make more money selling electricity." Is that your government's vision for the economy of northern Ontario?

**Hon Mr Baird:** No.

**Mr Hampton:** Can you guarantee people in Iroquois Falls, Kapuskasing, Kenora and Fort Frances that the same thing that has happened at Sturgeon Falls will not happen in their communities this winter or next summer?

**Hon Mr Baird:** We're always concerned when any Ontario enterprise, whether it's a small or medium-sized enterprise or a larger industrial employer, faces economic challenges. I've said to you that in my own community we've had job loss and job gain, and it's a tremendous concern. It should be a high interest and a high priority for government. I have got together with, I think it's Frank Dottori from Tembec—

**Mr Hampton:** Yes, Mr Dottori was very clear in his statements.

**Hon Mr Baird:** I got some good advice from him.

**Mr Hampton:** Yes, I'm sure it was very direct advice. I've got the same advice.

**Hon Mr Baird:** It was delivered very directly.

**Mr Hampton:** Yes: hydro deregulation and privatization makes no sense for his company.

**Hon Mr Baird:** Well, you know, if in the past and previous years we had an unusually hot summer and we had to import electricity in those hot summer months at a high price, and you had the choice of paying the charge or the old Ontario Hydro credit card paying the charge, I would choose the old Ontario Hydro credit card—

**Mr Hampton:** Minister, you're trying an old song here and it's got nothing to do with the—

**Hon Mr Baird:** No. With great fairness, it has everything to do with it.

**Mr Hampton:** No, it has nothing to do with it.

**Hon Mr Baird:** Because your idea was to borrow \$11 billion a year and be damned. The poor children of this province will have to pay up.

**Mr Hampton:** No, no. Let's be clear about who has borrowed all the money.

**Hon Mr Baird:** Thirty-five million.

**Mr Hampton:** Conservative governments that build nuclear stations without understanding the long-term costs—that's who borrowed the money, all right?

**The Chair:** Could we have some order.

**Hon Mr Baird:** Well, you borrowed more money than any of them.

**Mr Hampton:** And don't try to BS people about who borrowed the money.

**Hon Mr Baird:** You borrowed more money in five years than they borrowed in 40 years.

**Mr Hampton:** We borrowed no money for hydro whatsoever. Where's your head?

**Hon Mr Baird:** You borrowed \$50 billion for this province. I'm not going to take any lectures from you about previous Conservative governments.

**Mr Hampton:** Lord almighty.

**The Chair:** Minister, you will come to order and so will Mr Hampton. You will direct your questions through the Chair in a respectful fashion. Mr Hampton.

**Mr Hampton:** Your government has announced that it plans to sell 49% of Hydro One. Do you plan to sell that to one buyer; in other words, 49% to one company or one corporation?

**Hon Mr Baird:** The first stage of the process will be to solicit expressions of interest—I think it was up to 49%—as a first phase and to get a handle on what the interest would be before that determination is made.

**Mr Hampton:** Do you plan on selling to many buyers? In other words, if it's a 20% stake or a 40% stake, or 35% or 49%, do you plan on selling to one or do you plan on selling to many buyers?

**Hon Mr Baird:** I think we'll get the expressions of interest first and then cross that bridge.

**Mr Hampton:** Will the government guarantee, as you can under NAFTA, that the buyers will be domestic?

**Hon Mr Baird:** I think we'll get the expressions of interest first, before that determination is made. I think that would be the responsible thing to do.

**Mr Hampton:** Will the government make public who the prospective buyers are before any deal is signed?

**Hon Mr Baird:** I guess we're going to take it one step at a time. All decisions will be made in the best interests of the taxpayers and the ratepayers of Ontario. Then I think, in wanting to make those decisions in the best interests, in this case not just of the shareholder but of the public and the marketplace, you don't want to do anything that would not be in the collective interest.

**Mr Hampton:** Since you're talking about selling only up to 49%, will the government rule out giving the minority shareholder a share in management?

**Hon Mr Baird:** I think that would be something that will be discussed. I think the Premier has been clear in terms of his discussions about control.

**Mr Hampton:** Market analysts are saying that the government may get much less for the asset than it is worth because of all the turmoil surrounding the company and the government.

1610

**Hon Mr Baird:** The energy market is right around North America and indeed around the globe. Ontario isn't an island, Mr Hampton.

**Mr Hampton:** So what is the minimum price that you're willing to sell the 49% stake for?

**Hon Mr Baird:** Do you think it would be a good idea if I answered it?

**Mr Hampton:** Do you have any idea?

**Hon Mr Baird:** It's sort of like if you had your house for sale. We're having an auction, but by the way I'd sell it for X so don't bother offering me Y—

**Mr Hampton:** Do you have an estimate of how much you'd want?

**Hon Mr Baird:** We'll get the expressions of interest and then move on to the next phase. I don't think it would be helpful for me to speculate on a low price. I don't think it would be responsible. I don't think you'd think it would be responsible for me to do that either.

**Mr Hampton:** I'm just asking if you've got a figure in mind. The budget that was tabled by the government last spring called for over \$2 billion in revenues from asset sales and it speaks in terms which indicate that you are absolutely committed to completing the sale this year. Is that still the government's position?

**Hon Mr Baird:** I think the line in the budget, if I'm thinking of the page on the left-hand side—the financial document talks about sales, rentals and leases.

**Mr Hampton:** Over \$2 billion.

**Hon Mr Baird:** Over \$2 billion. And if you look at previous years you'll see that there's a substantial amount that varies from time to time in terms of—

**Mr Hampton:** The last big sale was Highway 407.

**Hon Mr Baird:** In 1999.

**Mr Hampton:** Yes. It didn't work very well. So I guess the question is, is that still your position: you want to complete the sale?

**Hon Mr Baird:** I think the Premier has been clear in his intention publicly as he has been privately. He wants, not just with this, but policies that are in the best interests of taxpayers. We'll go through the expression of interest phase and we'll see what the interest is on the street. It might be a teachers' pension plan, it might be—who knows?

**Mr Hampton:** Bruce Power insists that not only will the financial problems of British Energy not affect the operation of Bruce B, but the return of the two units of Bruce A will also be unaffected. In other words, British Energy's financial problems, they are saying, do not affect Bruce Power. What due diligence have you done to assure yourself that Bruce Power's operations will not be affected by the parent company's financial problems?

**Hon Mr Baird:** We've actually only had discussions with two of the three owners of the Bruce Power Co and some of its management. I'll be speaking to Don MacKinnon and the Power Workers in the coming days.

**Mr Hampton:** Let's be clear: the only owner that matters here is British Energy.

**Hon Mr Baird:** No, I disagree with you. I think the workers matter. I think Cameco matters.

**Mr Hampton:** In terms of the future operation of Bruce Power—

**Hon Mr Baird:** They were a big financial contributor to your campaign so I think they matter. They're putting



the gas in that little bus you're taking around the province.

**Mr Hampton:** Yeah, yeah, right.

**Hon Mr Baird:** I hope you don't want to tell them this major campaign contribution doesn't matter.

**Mr Hampton:** In terms of the future operation of Bruce Power, what matters here is the financial stability of British Energy. Have you talked to British Energy?

**Hon Mr Baird:** Yes. What matters is the jobs. What matters is the impact—

**Mr Hampton:** What did British Energy tell you? What did they say?

**Hon Mr Baird:** They're working quite aggressively on the file. I don't want to say anything publicly that would hamper the success of the situation that is there.

**Mr Hampton:** Let's make it easy. Can you absolutely guarantee that Bruce B will continue to operate if British Energy goes bankrupt or if they are forced to, in effect, restructure themselves so that there's another owner?

**Hon Mr Baird:** Every single thing that I have received has suggested that it's commercially viable, that the work they have done on—if I have one concern it's the work on Bruce B. The generation of Bruce B has been commercially viable and successful to date. Accepting that, there's a lot of work going on; a lot of people are committed to try to work—

**Mr Hampton:** Can you guarantee that Bruce B will continue to operate if British Energy goes under or is forced to restructure?

**Hon Mr Baird:** I think we're keeping a close eye on the file and being as helpful as we reasonably can be to ensure not just the jobs at Kincardine, which is a concern to me and, I know, a concern to the member of provincial Parliament for that community; we're concerned about keeping the power on the grid and we're concerned about the success of the recovery effort at Bruce A.

**Mr Hampton:** Can you guarantee that Bruce A's two units will come back as planned, regardless of the financial problems of British Energy?

**Hon Mr Baird:** I can guarantee we're working awfully hard at ensuring the jobs, the power supply and the recovery operation at Bruce A.

**Mr Hampton:** Can you guarantee they will come back regardless of what happens with British Energy?

**Hon Mr Baird:** There are no guarantees in life. Can you guarantee me that you'll be leader of the NDP next year? Can I guarantee to you that I'll be an MPP next year? No one can give these guarantees.

**Mr Hampton:** Based on the longevity of your predecessors, the odds are with me.

Last week I asked you about Ontario Power Generation and its lease clause with Bruce Power regarding what would happen if Bruce Power cannot meet its obligations. You indicated that the lease clauses dealing with Ontario Power Generation's obligations with respect to the Bruce nuclear facility were public, or that what was contained in those lease clauses is public knowledge.

**Hon Mr Baird:** I certainly said I was prepared to look into it. I understand from officials that a version of the

lease dated as late as July 2002 was released to public libraries in Bruce county, to the legislative library, to the CBC, to the Provincial Auditor and to you.

**Mr Hampton:** Would you be prepared to table here those lease clauses and any other clauses that deal with the obligations of Ontario Power Generation, should Bruce Power go under?

**The Chair:** Minister, a very quick answer, please.

**Hon Mr Baird:** All of—

**Mr Hampton:** All of the documents; all the obligations and responsibilities?

**Hon Mr Baird:** You can take this extra minute out of my time.

**The Chair:** Unfortunately, the only time left is coming from the Liberal caucus. They may not be so willing to donate. You want that for the benefit of the committee?

**Mr Hampton:** I think the committee might benefit from seeing some of this.

**The Chair:** We'll perhaps talk to you off-line about how we might best distribute that to members of the committee.

I'll now turn to Mr Miller, from the government caucus.

**Mr Miller:** Minister, in my riding of Parry Sound-Muskoka, especially toward the northern part of the riding, reliability has been a problem in the last year and a half, particularly in the Magnetawan area. I've had a number of constituents calling with complaints to do with the reliability of their electricity service. I believe that area is serviced by Hydro One. I'm wondering if there are ongoing tree maintenance programs, what's being done and how we measure reliability, and what's being done to ensure that in the future, businesses and constituents, clients in the northern part of my riding, can be assured of reliable electricity. I know there are some businesses like an abattoir, for example—I met with the agriculture association. In their business, they just can't afford to have a power interruption or all of their product will be spoiled. They've called my office concerned about ensuring they have a reliable supply of electricity. I wonder if you might speak about reliability.

**Hon Mr Baird:** Certainly many reported outages have been the result of severe weather conditions. Hydro One Networks doesn't have control of the weather, particularly in the Muskoka area. You're right: Hydro One's lines run through some very tough and heavily treed terrain, which makes access and repairs difficult. Hydro One Networks does have a systematic right-of-way management program that includes line clearing, which is conducted on a cyclical basis. Clearing is planned on a provincial level and is based on the condition of the lines. Thus, areas with the highest need are given the highest priority. Having said that, Hydro One Networks will respond to specific forestry problems even if clearing is not scheduled for that area. If customers see a problem, they can call Hydro One at its number.

When we speak to the general state of the infrastructure with respect to the transmission lines and local



distribution lines, some of them are in rough shape. As far as local distribution companies are concerned, most of those challenges would be in the northern or remote areas serviced by Hydro One Networks, and that is a concern.

1620

**Mr Miller:** I guess my other question would have to do with supply. In terms of the success of opening the market, supply is critical. If we're going to have the best prices in the long term, we have to have a good supply of electricity. Probably one of the keys to that is getting the Pickering plant up and running again, and getting it back on stream seems to have been delayed a few times. Bruce, on the other hand, has been a success story, I think, in terms of bringing some reactors back on stream and the generating station working at peak efficiency. Is there any consideration being given to perhaps selling or leasing Pickering so maybe private sector experts could get it up and running a lot faster than currently seems to be happening?

**Hon Mr Baird:** No, that hasn't been considered.

**Mr Hampton:** Tony Blair might buy it.

**Hon Mr Baird:** Maybe you could see him at the next Socialist International conference and ask him. The question is, I don't know whether Tony Blair is still invited to those meetings or whether Buzz Hargrove would still allow you to go to them.

**Mr Marcel Beaubien (Lambton-Kent-Middlesex):** Minister, I have an article in front of me that appeared in the local newspaper on September 28, and it deals with the retroactivity of the allocation Union Gas was given by the Ontario Energy Board. According to this, the gas bill was dated August 12, and it says, "Union Gas will process a delivery rate increase and a retroactive adjustment of approximately \$40 per month for a three-month period starting with your November or December bill. A full explanation will be provided once these ... are approved by the Ontario Energy Board." Then it goes on about the specific amount.

My question is, how can Union Gas send a bill to consumers in Ontario ahead of the decision being made by the Ontario Energy Board? When I read this, basically this is almost a fait accompli. On August 12, the Ontario Energy Board had not ruled on this retroactivity, and yet Union Gas had the gall to send a bill with that wording on it. If you want it, I'll send it to you in case you haven't seen it.

I find that very unacceptable. How can that be?

**Hon Mr Baird:** You should never count your chickens before they're hatched.

**Mr Beaubien:** I take it a little more seriously than that. I'll be honest with you: I'm upset, and my constituents are upset with it. As a former small business person, I could not send my clients that type of bill. If there was an increase in the insurance industry, we notified the client after the increase was advertised or allocated or whatever, not prior. When I read this—and I know I'm from rural Ontario and maybe I should read it in a different manner—basically it tells you that on

August 12, Union Gas was aware they were going to get this retroactivity.

**Hon Mr Baird:** I haven't seen the document to which you're referring, but I'd be happy to receive it and look it over.

**Mr Beaubien:** I'll send it to you.

The other thing I would like your comments on is with regard to energy. We can talk about billions, we can talk about zillions or whatever we want to talk about, but we all know that in Ontario we have energy produced in different manners. We have energy that is hydro-generated, we have some nuclear, we have some that is coal-fired, we have some that's from natural gas and now we're starting to have some wind power. There's a different cost associated with every form of energy we produce.

I have yet to see from your ministry any simple explanation to the consumer in Ontario—whatever parameter we end up using, whether it's a kilowatt or a megawatt or whatever—what it costs to produce a megawatt of power in the nuclear form, what it costs to provide a megawatt of power with coal. Have you got that information readily available, so that we can pass it on to our constituents and they can differentiate what it costs to provide hydro in the different forms we're providing it in the province of Ontario?

**Hon Mr Baird:** I think it certainly wouldn't hurt a public debate if people had a conception. Many consumers would be happy to pay a little bit more or even substantially more for wind power, even if it costs more. Many consumers would want to know what it would cost to operate with coal versus natural gas, for example, or other fossil fuels, some of that depending on the marketplace and the cost of production. There might be some commercial interests there, but if there's anything, I'd be happy to look at it.

**Mr Beaubien:** The reason I ask you this is because a week ago, this past Friday, I had the opportunity to visit the Lambton generating station in Courtright, which is in the community of St Clair. I did talk to the manager, who took me around. There's been a debate with regard to coal-fired generating plants. I didn't talk to one employee over there who wants to lose his or her job. I realize that out of the four generating turbines they have, two of them have scrubbers. Basically, what goes out into the air is about 99.9% water vapour. We've done a lot with regard to reducing pollution. The other two units that do not have scrubbers are only used during high-peak-demand periods and they use low-sulphur-burning coal, again in order to try to reduce the emissions.

But for some reason we fail to communicate with the residents of Ontario, certainly in southwestern Ontario, that when we do have a shortage of hydro and we purchase it from the States, it basically comes from the Ohio region. The Ohio region does not have scrubbers on their stacks. They do not use low-sulphur coal, in most cases. When we look at the prevailing winds, most of the winds usually end up in southwestern Ontario, around the 401 corridor between Windsor and Montreal.

Minister, as a person who has a coal-generating power plant in my former riding but certainly close to the border and who would be tremendously impacted if this plant were to be closed or trimmed down or whatever, and I'm told that people want to keep their jobs, why is it that we don't seem to be communicating the fact that whenever we purchase hydro from the States, the emissions created by some of those hydro-generating plants create a heck of a lot more pollution than our own coal-generating stations, especially in Lambton?

**Hon Mr Baird:** That's a point well taken. I guess you wouldn't want to close down a facility on one side of the border, and then right across the river I think Detroit Edison has two coal-fired plants on the other side of the border.

**Mr Beaubien:** That's right.

**Hon Mr Baird:** You can't take your supply, which faces some challenges—the pie almost wasn't big enough this summer, and if you cut 24% of the pie out, and then as the nuclear reactors' licences begin to expire starting in 2011, it presents us with some very serious challenges. We can't set up a border guard to ask every electron whether they're coal-generated, natural gas-generated or hydro-generated. It can't be done. The law of physics doesn't allow you to do that. Maybe Mr Bryant will fill you in on his math and the Liberal plan and will table that before the committee, because I would challenge him to let us know how the numbers add up. That would be helpful to your constituents.

**The Chair:** Mr Mazzilli, you have approximately three minutes.

**Mr Frank Mazzilli (London-Fanshawe):** Minister, I'm just trying to understand—

**Mr Bryant:** On a point of order, Mr Chair: I seek unanimous consent to permit the Liberal caucus to have an additional 15 minutes.

**The Chair:** It's not a point of order.

**Mr Bryant:** I would have, Minister.

**Hon Mr Baird:** Why don't you table them afterwards? Do you want to table them?

**Mr Mazzilli:** Can I have my three minutes?

**Hon Mr Baird:** I challenge you to table them.

**The Chair:** Order.

**Hon Mr Baird:** I can go everywhere now and say you won't give the numbers.

**Mr Mazzilli:** Minister, certainly we've always been told that distribution is sort of a natural monopoly, if you will, and the infrastructure cost. But generating is one of the issues where you want get more private sector investment into the business. Is that correct?

**Hon Mr Baird:** Sorry, could you repeat that?

**Mr Mazzilli:** The distribution end of the business is sort of a natural monopoly and the generating side is where you want to get more private sector investment. Is that correct?

**Hon Mr Baird:** Sure.

**Mr Mazzilli:** Yet the generating side is all regulated. There's one price, according to my understanding.

1630

**Hon Mr Baird:** No.

**Mr Mazzilli:** That's not the case?

**Hon Mr Baird:** No. It's a spot market on the generation side.

**Mr Mazzilli:** I'm sorry?

**Hon Mr Baird:** On the generation side, it's a spot market with respect to transmission. With respect to distribution, there's a regulated rate of return.

**Mr Mazzilli:** So dependent on the demand. But if you were to build a new facility and prices are low because some of the older facilities are flooding the market with perhaps a product that's less efficient or less clean, how does that new facility recoup its investment if there's too much supply in the grid, if you will, and you have a new facility that's invested billions of dollars? Obviously a new plant is going to cost more than just refurbishing an old one.

**Hon Mr Baird:** Or the same, because refurbishing an old one can often be the same price as a new one. If you wanted to convert, for example, Lakeview from coal to natural gas, it would be the same as building a new one.

**Mr Mazzilli:** So we're saying the price of Pickering is going to be the same as cleaning up Bruce?

**Hon Mr Baird:** I guess you look at it from three perspectives. You look at it from price, and I think it's important to be competitive there. You also look at from the environmental side in terms of its emissions. So if you have, for example, nuclear, there are no emissions, so that's something with which there is a benefit.

**Mr Mazzilli:** I certainly don't understand the electricity business, but if you have an old apartment building that was built 30 years ago and you refurbish it, and you build a new one at today's prices, you're always going to be more competitive with the old one. It's not going to be as nice, it's not going to meet code like the new one would, but you can afford to rent it for less money.

**Hon Mr Baird:** As long as the electrons come out the other end?

**Mr Mazzilli:** I'd say someone had better start adding up the electrons, because that answer is not going to wash. I don't think we're going to get the competitiveness that we're looking for if a new facility has to invest billions of dollars and has no way—

**Hon Mr Baird:** OPG and Hydro One have \$20 billion of assigned debt till the debt equity swap—

**Mr Mazzilli:** My three minutes are over?

**The Chair:** In fact, we're just about done. Is that it?

**Mr Mazzilli:** That's it.

**The Chair:** Then I guess we'll consider this completed. We have no vote at the end of this, members of the committee may recall, if you have a combined estimate before the ministries were separated. So what we have is a 15-minute break—make that a 14-minute break precisely. The members are expected back to hear the estimates of the Ministry of the Environment.

We appreciate your attendance. I would like to thank the minister for his attendance and that of his staff.



Again, our votes will take place at the conclusion of the estimates for environment.

*The committee recessed from 1633 to 1648.*

## MINISTRY OF THE ENVIRONMENT

**The Chair:** We now commence estimates for the Ministry of the Environment. In this modified forum, we have 15 minutes at the opening for yourself and then for each of the members of the two opposition parties, and then time for a response by yourself at the conclusion of that. Minister, if you would like to commence.

**Hon Chris Stockwell (Minister of the Environment, Government House Leader):** Thanks to the members of the committee. Basically, a brief overview; I have 15 minutes, so I'll try to get through the dissertation I've prepared.

In order to ensure strong communities and economic prosperity in Ontario, we obviously must protect our water, land and air.

Combating smog and other forms of air pollution continues to be a major focus for the Ministry of the Environment today. We have already set caps for smog-causing emissions from the electricity sector, and we will soon set caps for air emissions from other major industries. We are in the process of tightening the existing deadlines for meeting emission reduction targets by all emitters.

To ensure that Ontario's drinking water is safe and clean, this government has committed to an investment of over half a billion dollars over the next two years. We are committed to implementing all of Justice O'Connor's recommendations from the Walkerton inquiries and are currently well on our way toward doing so.

As promised, this government has held consultations on the development of a safe drinking water act, and that bill will soon be introduced in the Legislature, with emphasis on "soon." The proposed bill will build on components of Bill 3, Marilyn Churley's private sector—private member's bill. "Private sector," that was a Freudian slip of the tongue. It will do so while also reflecting the new Ontario water regulations and the recommendations of the O'Connor report.

The Nutrient Management Act, passed in June 2002, is another important part of this government's clean water strategy. The act protects our waters by minimizing the environmental effects of agricultural practices, particularly with respect to land-applied nutrients.

We are currently working to develop regulations to set out standards under this act. These standards will protect the environment, support sustainable agricultural operations and rural development, be consistent with Justice O'Connor's recommendations, and follow the government's Smart Growth strategy for well-planned and environmentally sensitive development, which, I might add the Minister of Municipal Affairs, Mr Hodgson, has done a fine job, I think, of steering through the Legislature and the House.

My ministry—the Ministry of the Environment; I don't own a ministry and never have—will also strengthen requirements for the treatment, movement and disposal of hazardous waste. We will begin to implement the regulatory framework developed to clean up contaminated lands, or brownfields, and restore them to productive use. This in turn will promote increased investment and economic activity in those areas.

This government's goals are: to ensure public health, to sustain and improve quality of life for future generations and to do so in an atmosphere of economic vitality and prosperity. I personally envision an Ontario where a well protected environment is one of the cornerstones of a thriving and competitive province.

To fulfill our mission, we must continue to set clear policies, standards, rules and regulations. We must protect the environment, we must encourage conservation and support the efforts of the people of Ontario to do the same. Tough and effective enforcement remains a key element in our effort to achieve improved environmental outcomes.

Enforcement is, however, only one element in that process. We continue to investigate new approaches in leading-edge best practices to foster continuous environmental innovation and improvement. We continue to seek out and identify such opportunities through wider and more effective collaboration with our various stakeholders based on firm belief that environmental protection is a shared responsibility.

By taking a strategic approach to managing knowledge and information, we have enhanced our learning capacity and improved the quality of our decision-making. The Ministry of the Environment safeguards the environment by working to ensure cleaner air, water and land, healthier ecosystems and the ongoing health and welfare of the people of Ontario. We start with a strong foundation, and obviously the foundations are the most important. We need tough standards, we need comprehensive policies and we need carefully written laws and stringent regulations. We as a government have done that. We've set tough standards. We have developed comprehensive policies and we have carefully written legislation and put in place stringent regulations.

I know some would suggest that some of the legislation should probably be put forward into the House in a fashion that is quicker, but it's more important not only to write the legislation but to write it properly; to write legislation that is both acceptable to all parts of the community but inherently has the one overriding factor, which is the safety of people's drinking water, air and land.

We're guided by a commitment to continual improvement, innovation and leadership in environmental management. We then build on this foundation by working in partnership with business and industry to help them move beyond basic compliance. Business and industry have an important part to play in this. Business and industry provide the jobs, prosperity, investment—the economy for the people of Ontario. They provide jobs. They also



have, in most instances that I've come across, a very sensitive concept, a very reasonable concept of what the environment is and how they can best protect it through their business endeavours.

The idea that business doesn't support environmentally and socially responsible approaches to the environment, in my tenure as Minister of the Environment, is basically not the case. Many of the businesses I've been to are very prepared, very interested and very hopeful about making regulatory changes that will protect the environment and also provide an opportunity to create prosperity and jobs.

The ministry monitors pollution restoration trends in an effort to determine the effectiveness of its activities, the value of existing programs and the need for new ones. You have to do that in the Ministry of the Environment. Technology changes and you always have measure the ability of your inspection staff to go out and measure, technologically, how things are being done. As it changes, you've got to be adaptable to make those changes, to arm your inspectors, to arm the people who do the prosecutions, to arm the educators out there about the best practices for the environment. Many years ago you had very different practices for the environment that in future years were considered unacceptable. Asbestos is a good example. Asbestos was used in many construction projects and considered to be an acceptable form, an acceptable use.

Technology advances at a rapid pace. We discovered recently, by the last decade, that asbestos wasn't the way to go, and you need to arm yourself to get out there into the private sector and build a cohesive plan to remove this from the place of business, place of work, place of school. It's a very difficult process because in previous administrations, through no fault of their own, they were advising people to build with these kinds of programs and these kinds of materials.

The information gathered is used to develop and implement environmental legislation, regs, standards, policy, guidelines and programs that will further enhance environmental protection. The ministry assists the province to achieve its environmental goals in a variety of ways through compliance and enforcement activities.

That's probably the most known one. When anyone talks about the Ministry of the Environment, it's always back to me; it's about compliance and enforcement. That's what they hear about all the time because it's at the front edge; it's what makes the newspapers.

But through its process of issuing certificates of approval and various permits, it does a lot of good work that precludes enforcement and prosecution through its environmental assessment process, which has been a great process—it has alerted and educated the public in ways that they never knew about 15 or 20 years ago—and through its ability to respond quickly and effectively to environmental upsets and spills.

I'd like now to speak directly to the accomplishments of the Ministry of the Environment. The government's clean air plan for industry will implement and enforce

limits for industrial sectors that emit smog and create acid rain. Proposals are now in place to accelerate province-wide targets for emissions of nitrogen oxides and sulphur dioxides from 2015 to 2010.

Stringent limits on air emissions, which will become even tougher over time, and a reduction trading system have been implemented recently for the electricity sector. I want to comment on that briefly. This reduction trading system that has been implemented is long before any of the concepts and the ideas came out through the electricity sector. This was one initiated through the Ministry of the Environment, bought into by the sector, and it's operating today.

In addition, the government has announced that the Lakeview generating station will be required to stop burning coal by April 2005—the first such initiative taken by a government in the province of Ontario I believe in their history ever, to demand that a coal-fired plant be shut down and a deadline given; the first time ever a provincial administration has done such a thing. The Lakeview generating station will be required to stop burning coal by April 2005.

This decision alone will prevent thousands of tonnes of pollutants from entering Ontario's air and will significantly cut mercury and greenhouse gas emissions. Those are the very same greenhouse gas emissions that much of the talk is centred around with respect to Kyoto. This government moved on that, and moved by closing down the Lakeview generating plant by 2005.

As of January 2002, all Ontario industries are required to monitor and report annually on a total of 358 air contaminants. The first step is to be able to report accurately the results on 358 contaminants. Ontario is one of the first jurisdictions in North America to require this level of monitoring and public reporting on a full suite of key greenhouse gases linked to climate change.

The department's new on-line emissions reporting registry requires polluters to be more accountable to the public by providing regular information about emissions and who is causing them, which is great. The public can go in any area and find out who's causing the emissions and the amount they're putting into the air.

Since the Drive Clean program—and I know a lot of people voted against the Drive Clean program—started in 1999, up until the end of 2000, smog-causing emissions from vehicles in the greater Toronto area and Hamilton were reduced by 11.5% and carbon monoxide emissions by 15.4%. That's a success story. We should be celebrating that.

Drive Clean was expanded on July 1, 2002, to cover the entire southern Ontario smog zone encompassing a total of nearly 5.5 million vehicles. Hats should be off to this government to be extending Drive Clean to 5.5 million vehicles right across the southern Ontario smog zone.

Operation Clean Water has moved forward on several fronts over this past year in an effort to further protect the source waters that supply Ontario drinking water facilities and to ensure that those facilities continue to

produce the safe, clean drinking water they are designed to produce.

1700

The municipal water system inspection program has been strengthened by doubling the number of dedicated municipal water system inspectors, by conducting unannounced inspections, and by re-inspecting, within one year, those facilities that have been shown to be deficient. Last year, the ministry completed 648 inspections of municipal water systems. In addition, new, consolidated certificates of approval were issued to all municipal supply systems, thus ensuring that they are in compliance with the drinking water protection regulation.

The drinking water protection regulation for smaller waterworks serving designated facilities has now been introduced. This regulation introduced stringent requirements for facilities that have their own water supply systems but were not previously captured under the drinking water protection regulation, such as schools, nursing homes and retirement facilities.

The ministry has set up over 140 monitoring sites across the province in partnership with local conservation authorities and as part of the three-year, \$6-million provincial groundwater monitoring network. We have committed a further \$10 million in funding to groundwater studies. This—and I'll say this with emphasis—is the largest single provincial investment in groundwater source protection in the province's history.

A new Canada-Ontario Agreement Respecting the Great Lakes Basin Ecosystem has been drafted and signed. It focuses on some of the province's most pressing environmental waste issues, including the continued cleanup of Ontario's areas of concern and the reduction of pollutants, including PCBs and mercury, in and around the Great Lakes basin.

Waste Diversion Ontario—a permanent, non-government corporation—has been created under the Waste Diversion Act, 2002, to develop, implement and fund waste diversion programs across the province. We have assigned the WDO their first task of developing a sustainable funding plan for the municipal blue box programs.

Ontario's new electronic hazardous waste information network—the first of its kind in North America—now provides generators of hazardous waste, and the province, immediate information on its generation, movement and disposal. The province is now able to require hazardous waste generators who do business in Ontario to register their sites, and pay a registration fee that will offset the ministry's management costs. By the end of March 2002, over 60% of the high-level PCBs in storage had been destroyed.

The environmental SWAT team, formed in September 2000, and made permanent in May 2001, has now completed more than 1,200 inspections of seepage haulers, hazardous waste processing sites and transfer stations, hazardous and solid waste haulers, electro/metal platers, pesticides applicators and apartment recycling programs.

Now I would like to discuss some of my ministry's future policies and goals.

The Smog Patrol, the roadside Drive Clean enforcement group, will be given wider capabilities to stop and inspect vehicles suspected of polluting and to otherwise enforce Ontario's vehicle emissions requirements.

Ongoing, annual inspections of all municipal water systems will continue to ensure compliance with the regulated standards. The ministry will require corrective action where needed to ensure that facilities meet their environmental responsibilities.

The ministry is developing comprehensive mandatory training programs for municipal water system operators. We will introduce a new Web-based drinking water information system incorporating information from all municipal waterworks.

Proposed new amendments to wells regulations will be finalized including mandatory training for those who construct wells, re-testing of licence holders every three years, tougher standards for well construction, and improved reporting of well construction, well location, condition and status.

Am I done?

**The Chair:** You're done, but you will have a chance if you wish to add further remarks.

I now turn to the official opposition.

**Mr James J. Bradley (St Catharines):** The official opposition is going to use this period of time for questions.

**Ms Caroline Di Cocco (Sarnia-Lambton):** It sounds as if you have everything in hand, Minister, so maybe I don't need to ask you questions. Nonetheless, I do have one and that has to do with your pre-treatment requirements for hazardous waste. I know you were looking at attaining at least input in that regard. Where is that now, because we still have different rules here in Ontario versus any other jurisdiction in North America. We're the last jurisdiction—we still do not pre-treat waste before we landfill it. So where is this change for pre-treatment?

**Hon Mr Stockwell:** In the ministry we are proposing new pre-treatment standards. The proposed pre-treatment requirements will be tougher than those, in fact, or as tough as the ones in the United States and discourage the production of these wastes. Implementing pre-treatment standards would further harmonize Ontario's hazardous waste requirements with those of the United States and reduce the potential for hazardous waste being deposited in Ontario to avoid treatment requirements in the United States.

As part of our December 18, 2001, announcement of the hazardous waste management reduction strategy, the ministry posted a policy proposal on the Environmental Bill of Rights registry for comment, which ended March 18, 2002. The purpose of the posting was to seek input from stakeholders. The ministry received significant input. We are reviewing the input and continuing in consultation with the key stakeholders. We will be out very shortly.

**Ms Di Cocco:** Do you have any timeline at all? When you say "harmonize," does it mean it's going to be these standards or stiffer standards? When you say "harmon-



ize,” it doesn’t necessarily mean they’re going to be equal to, but I’m hoping they will be as high, if not higher.

**Hon Mr Stockwell:** Well, they’ll be as high. I think the key question you have to ask yourself is, would it make any sense for hazardous waste haulers or hazardous waste producers to go anywhere else if your standards are harmonized, are equitable, are the same? Of course it wouldn’t. I think what you saw is that maybe ours weren’t quite as tough—

**Ms Di Cocco:** They’re not.

**Hon Mr Stockwell:** —and I think what we needed to do was bring them up. So when we say “harmonize,” I don’t like to say specifically every single by-product, but they’re going to be very, very similar. By making them very similar, we’ve seen in the recent past a significant reduction in the hazardous waste that’s coming into the province of Ontario because they’ve seen this harmonization process that’s going to be put in place.

**Ms Di Cocco:** Why is it that we’re still taking such a long time, when in fact all of that—again, being the last jurisdiction on the continent, right now we are a magnet for hazardous waste because it’s so cheap to send waste here. As a matter of fact, there’s possibly going to be another incinerator built up in Kirkland Lake, and most of the waste is going to come from the United States and Mexico. The reason I’m concerned is because in my riding, as you know, we have the largest hazardous waste landfill and incinerator in Canada, and 70% of that waste is coming from outside the province, because everybody else has to treat it before they landfill it.

The other aspect is that there’s no continuum. For instance, the liability for a generator in the United States stops once it gets to the border. If they landfill it in the United States, the generator still has liability. We talk about groundwater and we talk about aquifers. It’s a very serious matter, and I know you are beginning the cleanup of sites. Here we’ve got one that we’re filling up faster, with more junk, and we haven’t got the standards yet. I don’t know why we’re waiting so long to do it.

**Hon Mr Stockwell:** I don’t want to take exception to your comments too dramatically, except to say you’re not correct. The importing of hazardous waste is not going up. The actuality is we’ve had a 31% reduction between 1999 and 2001. Why have we had that reduction? Because the notion out there is that the province of Ontario is bringing in requirements that will be similar to the requirements in neighbouring jurisdictions. I would expect you are going to see 2001 to 2002 also go down. So if the foundation of your argument is that they’re going up, up, up—

**Ms Di Cocco:** I didn’t say that. I said that 70% of the waste that’s landfilled there comes from outside the province. I didn’t say there was an increase. I didn’t say that anywhere.

**Hon Mr Stockwell:** OK. Then I guess what I’m pointing out to you is that it’s going down. It’s going down because of the message we’ve sent. It’s going down because we posted this with respect to our new designs

on the EBR. It’s going down because they know we’re making the amendments and making the changes, and when we bring them in, when they are harmonized, you are going to see a serious reduction. I think you’re going to see even more of a reduction between 2001 and 2002.

**Ms Di Cocco:** With regard to incineration of hazardous waste, the Environmental Commissioner stated that our POIs, our standards, have not been updated in 20 years. In other words, his comments were that for the incinerator there, the rules are less stringent than for non-hazardous waste incinerators. That’s what he said. Considering the amount of mercury and dioxins and furans that come out of that stack, and the amount of waste, are there any steps being taken to change the standards there?

**Hon Mr Stockwell:** Well, you’re talking about point of impingement as applying to the stack. We’ve already talked about that, and we’ve all agreed, as environment ministers across the country, that those standards will be set and implemented by 2006. I’m sure you know that. By 2006, the standards will be put in place.

As we move toward 2006, we work on POIs—points of impingement. Those point of impingement standards that you talk about—yes, they meet those standards. But until we can change the standards, and we’ve agreed on a new standard by 2006, we try to work with these groups through C of As. SWARU is a good example. We said to SWARU, “Look, folks, we want you to meet these standards by 2003, and we frankly don’t even want to see you operating by 2005.” We use every tool and mechanism that we can put in place. But to be fair—you say it’s not the same in all—this is a standard that was accepted and adopted by every provincial government to put these in place with the federal government’s blessing by 2006. Did we say that was enough? No. We said, “That’s still not good enough.” When we produce C of As we’re telling SWARU, “You have to meet those standards by 2003, and we don’t even want to see you operating by 2005.” If previous administrations had done that, we wouldn’t have this incineration problem today. It’s too bad they didn’t.

1710

**Ms Di Cocco:** I have many more questions, but my colleague—

**The Chair:** Mrs Dombrowsky, we are looking at about eight minutes.

**Mrs Leona Dombrowsky (Hastings-Frontenac-Lennox and Addington):** Minister, I’d like to talk about permits to take water. You are probably aware that Bill 121, a private member’s bill around permits to take water, was passed. However, it died on the order paper when the House prorogued. So another private member’s bill, Bill 79, was introduced by myself. It was essentially the same bill; however, it added one section around statement of environmental values. It would require the director, when considering permits to take water, to take into account the Ministry of the Environment’s statement of environmental values. When that bill was voted on on Thursday, June 28, 2001, it was defeated in the Legislature on a recorded vote. Every member of the government voted against it. They supported it in its form



as Bill 121. However, when there was the addition of the article that the director must consider the Ministry of the Environment's own statement of environmental values—that was the only change in the bill—the government voted against it.

You would know that recommendation number 2 in this year's annual report from the Environmental Commissioner is that "The ECO recommends that the Ministry of Environment and Energy explicitly consider its statement of environmental values when making final decisions on the instruments issued by the ministry, and ensure that this is documented." That particularly relates to permits to take water for bottling.

Given this recommendation from the commissioner and given that Bill 124 has been introduced by myself, would you as minister be able to support this legislation?

**Hon Mr Stockwell:** I really don't even think you need to add that for me to support the legislation. Your idea is the values of the environment. Well, consider it done; we're the Ministry of the Environment.

**Mrs Dombrowsky:** Could you explain, then, why members of the government, to a last one, would have voted against the same bill?

**Hon Mr Stockwell:** It sounds rather curious that you would hold the bill up to say, "I would like the Ministry of the Environment, when assessing water-taking permits, to have in mind the value of the environment when assessing them." That's like telling a building inspector that when he inspects a building for the municipality, he should have to make sure the building won't fall over. Well, of course we do. Anybody would know we do. We're the Ministry of the Environment. All these good people back here work in the Ministry of the Environment. Everything they do is shaped, thought—the format is about the Ministry of the Environment. In any decision we take with respect to water-taking—business, commercial, municipal, hydroelectric, dams, any of them—take my word for it, rest easy tonight, sleep for certain, the Ministry of the Environment is considering the environmental concerns about those water-taking permits.

**Mrs Dombrowsky:** Are you aware that there has been a tribunal appeal where the argument was presented by Ministry of the Environment staff that in fact they don't have to consider the statement of environmental values because it is not in legislation?

**Hon Mr Stockwell:** I'm telling you right off the top that when you go to the Ministry of the Environment you can be sure of one thing: they're really concerned about the environment.

**Mrs Dombrowsky:** The general public would like to think so.

**Hon Mr Stockwell:** I think they do.

**Mrs Dombrowsky:** However, they are very confused when they attend hearings and hear lawyers representing the Ministry of the Environment say, "Well, yes, the statement is there, but it's not in legislation, so technically we don't have to consider it."

**Hon Mr Stockwell:** Then maybe the question that should be put is: what do you think it means; what does it mean to you?

**Mrs Dombrowsky:** I would like to ask you the question—

**Hon Mr Stockwell:** I appreciate that, but I can't answer it without some clarification. When you say to me, your phrase, "Take into consideration the environment," what does that mean to you? Give me a little synopsis, a bit of a definition of what that means.

**Mrs Dombrowsky:** Actually, Minister, I would prefer to ask the questions.

**Hon Mr Stockwell:** I know you'd prefer it. I'm still asking you that, though. I don't know what it possibly means except the obvious.

**Mrs Dombrowsky:** What I need to have you explain is, is the government prepared to support legislation that would require directors in your ministry to consider that, to demonstrate how they have been able to either support or deny a permit to take water, based on that statement? It's your statement.

**Hon Mr Stockwell:** I guess it's baffling to me. I would ask a director to explain to me, when he or she makes a decision based on water taking—I would say to that director, "When you made that decision, Director, did you take the environment into consideration?" I just can't imagine having to ask them that. I would not only presume, but I know that when a director in the Ministry of the Environment makes a decision on water taking, the first thing that comes to the top of their mind is the environment.

**Mrs Dombrowsky:** I find that interesting too because I have letters here from ministers to the Minister of the Environment around a permit to take water that specifically speak about the business interests of the company and that the permit should be expedited. It doesn't talk about the environment.

**Hon Mr Stockwell:** Listen, I don't have any doubt that there are places in this province where there are constituents and members who disagree with directors' decisions. It happens every day of my life in my own caucus, in the opposition caucuses. There are people who come to me and say, "You know what? The director of this made this decision and, boy, I don't think they're right." It happens every day.

Does it ever cross my mind that that director made the decision without the best intentions for the environment? Never. Do I believe that you have a difference of opinion with that director? Absolutely. But I never thought for a minute that the director took that decision on the sole basis to benefit a business or an industry at the expense of the environment in Ontario. I can't believe anyone would allege that of the good civil servants who work for the province of Ontario.

**Mrs Dombrowsky:** Being married to a good civil servant for the province of Ontario, I couldn't agree more with that particular statement.

**Hon Mr Stockwell:** Good. We're on the same page, then.

**Mrs Dombrowsky:** How much time do I have left?

**The Chair:** About one minute.

**Mrs Dombrowsky:** You're familiar with the Richmond landfill expansion proposal?

**Hon Mr Stockwell:** Right.

**Mrs Dombrowsky:** Are you aware that the proposal is sited on fractious limestone?

**Hon Mr Stockwell:** The actual proposal that you're speaking about is difficult for me to respond to right now. As Minister of the Environment, I'm going to have to, obviously, make a call one way or the other on the proposal. To comment on it would bias the opinion.

**Mrs Dombrowsky:** Do you support Mike Harris's promise that he made that no community should be made to accept the waste of another community against its will?

**Hon Mr Stockwell:** You've got me in a very awkward position. I'm the Minister of the Environment, and it's very difficult for me to comment on any application that could potentially be, or is, before the Ministry of the Environment. If I do comment on it, the first thing the opposition members will do in the House is say that the minister commented on an environmental issue that is either coming before him or is before him, and they'll demand my resignation. So it would be impossible for me to comment.

**The Chair:** If you wish, you may elaborate on that at your next opportunity. We currently go to the third party.

**Ms Marilyn Churley (Toronto-Danforth):** Thank you. I'll be using my time for questions as well because I have so many. We do not have copies of your statement and I presume—

**Hon Mr Stockwell:** I didn't finish.

**Ms Churley:** I'm just saying I took notes as quickly as I could because I had some specific questions related to those, so maybe I can save those for next week.

**The Chair:** We have copies of the statement that the minister would like to make available to the members of the committee. We'll arrange that.

**Hon Mr Stockwell:** Thanks.

**Ms Churley:** I think I'll pick up briefly on the permits to take water because there was a fair exchange on that. I just want to say that I think it's a fact your ministry officials would agree with that over time—you're right—a lot of the work hasn't been done on groundwater source protection. I think we all acknowledge that. There are different priorities at different times, and as we learn more about what's going on, as you yourself said in your speaking notes, we find out more, and work needs to be done in a timely fashion. But I think we would all agree that there has been no priority system developed for the taking and use of water. I think that's what the previous member was getting at, and not slighting the good officials who are sitting here doing their job. The reality is that we have different new technologies and new information about the complexities of the aquifers and the underground water and the way it moves, and a lot of work needs to be done so we understand that even better, right? I think you'd agree with that.

**Hon Mr Stockwell:** I agree with most of what you've said.

**1720**

**Ms Churley:** I just wanted to ask you a question: as I understand it, the OMB ruled this year that water extraction is not a land use. It's being appealed, I think, in October, but that's a problem. The question I asked you today, for instance, about water taking and citizens opposing not just the water taking—if they get the permanent permit for, what is it, up to a billion litres—but that even the testing is inappropriate. Even the testing right now is inappropriate, given this letter from the conservation authority saying the creek there is in some kind of jeopardy—I forget the word they used—and that there is other testing going on that hasn't been completed and some drought that's happened and the complications.

I didn't have a chance to come back at you in question period today, but you said that I got it wrong. In fact, I was talking right now about this particular testing. I know about that, and that's what I was speaking to. There's a real concern that even allowing the testing to go ahead right now, while there are some complex studies being done, is wrong and there should be a moratorium on all water taking: no more new water taking at least until all those studies are done across the province. Would you agree with that?

**Hon Mr Stockwell:** A moratorium right across the province for how long?

**Ms Churley:** For any new water taking.

**Hon Mr Stockwell:** For how long?

**Ms Churley:** Until the groundwater source protection legislation is in place. Would you agree with that?

**Hon Mr Stockwell:** Let me pose my answer in the form of a question, OK?

**Ms Churley:** OK.

**Hon Mr Stockwell:** If you banned absolutely all water-taking testing around the entire province today—let me give you an example. Someone has built a golf course. They got full—

**Ms Churley:** You have to be quick, because I have a lot more questions.

**Hon Mr Stockwell:** I try my best to be quick. You often accuse me of being too quick, almost flippant.

**Ms Churley:** Be real quick right now.

**Hon Mr Stockwell:** I'm trying to be very focused.

Let's say you have approval for and build a golf course. You have the golf course, it is built, everything is in place, you have all your processes in place, the Ministry of the Environment has signed off etc, and you have water-taking simply to water the grass—just to water the grass. Whatever water you're taking goes right back into the system.

**Ms Churley:** Do you know what, Chris?

**Hon Mr Stockwell:** I'm not done.

**Ms Churley:** OK, but I have my answer.

**Hon Mr Stockwell:** The question then comes, if you ban absolutely every test area in the province, that simple example of a person who went by the rules, got all the approvals, invested \$20 million, built the golf course and was simply taking water to water the lawn that would go



right back into the system, wouldn't be allowed to operate. Do you think that's fair?

**Ms Churley:** Yes. In certain circumstances I think we put the environment and the protection of our water and the safety of our drinking water first, before business. I wouldn't like us to end up in that situation, and that kind of stuff should be taken into account at first. As we know more about the complexities of the water, I think there should be a moratorium on new water taking—

**Hon Mr Stockwell:** I heard you, but to be fair—I'm trying to give you an example where, if you drop the sledgehammer that says there shall be no more water-taking testing programs allowed, this person in this free country, this democratic country of Canada, invested \$22 million to build a golf course, lived by all the regulations—

**Ms Churley:** Yes, Chris, that's what I'm saying: there should be a moratorium on water taking until you hurry up, get the groundwater—

**Hon Mr Stockwell:** Then all I can say to you is: there has to be a balance.

**Ms Churley:** I want to go off this, because we disagree. You say one thing and I say—

**Hon Mr Stockwell:** I appreciate that, Marilyn, but I want to elaborate. I don't want you to leave it there.

**Ms Churley:** No.

**The Chair:** Minister, with respect, it is opposition time. If that's the answer she's satisfied with, she's entitled to it.

**Ms Churley:** You gave me your answer and we disagree. OK?

**Hon Mr Stockwell:** I'll answer it in your next one.

**Ms Churley:** No. In order to just get specific answers to these specific questions, they're going to be straightforward.

What is the total number of permits to take water that have been issued and have not expired? All I want to know is the number.

**Hon Mr Stockwell:** The total number of permits—

**Ms Churley:** Permits to take water that have been issued and have not expired. If you don't have it, we can just table it for the next time. Do you want to table it for next time?

**Hon Mr Stockwell:** No. There are about 5,600 permits to take water that are currently active.

**Ms Churley:** OK. Do you have any idea how many have expired; that are not currently active but have expired and are looking for renewals or anything like that?

**Hon Mr Stockwell:** No. Do you mean how many are actively seeking new—

**Ms Churley:** They're expired and actively seeking renewals. Maybe we can table that.

**Hon Mr Stockwell:** I doubt very much they'd be seeking renewals. They'd be seeking their renewal before their permit ran out, in my expectation, so I think the 5,600 is probably accurate.

**Ms Churley:** You're probably right, but just to be sure.

**Hon Mr Stockwell:** OK.

**Ms Churley:** Can you tell me the total volume of water that can be taken by the day and by the year under all the permits to take water that have been issued and have expired?

**Hon Mr Stockwell:** Sure. Here's the number. Are you ready?

**Ms Churley:** OK.

**Hon Mr Stockwell:** It's 5-6-9 comma, 9-7-7 comma, 6-9-3 comma, 0-9-4 maximum litres per day.

**Ms Churley:** That's max per day across the province.

**Hon Mr Stockwell:** Do you want that number again?

**Ms Churley:** No, I got it all.

**Hon Mr Stockwell:** Do you know what it is?

**Ms Churley:** Why don't you say what it is, Chris? I'd like it to come out of your mouth.

**Hon Mr Stockwell:** Is it 569,977,693,094 litres per day. Is that right?

*Interjection.*

**Hon Mr Stockwell:** We've got agreement, so I'm going to go with that.

**Ms Churley:** That's correct. That's a lot.

**Hon Mr Stockwell:** Yes, it's a lot, no doubt.

**Ms Churley:** What is the breakdown of the number of permits and volume of water allowed to be taken by category, including industry, agriculture and other?

**Hon Mr Stockwell:** Not a problem. I've got that right here. Are you ready?

**Ms Churley:** OK.

**Hon Mr Stockwell:** Agricultural, 6,083,851,298; commercial, 2,263,401,447; construction, 32,116,748; de-watering, 4,668,623,010; industrial, 461,038,648,544; institutional—that would be us—19,380,388; recreational, 415,439,762; remediation, 167,381,569; water supply, 13,900,283,649; miscellaneous—that might be us—81,388,566,679; for a total of 569,977,693,094.

**Ms Churley:** Thank you very much.

**Hon Mr Stockwell:** No problem. We knew you were going to ask that question.

**Ms Churley:** This is more specific to the Environmental Commissioner's report. He described the litany of problems with the permit-to-take-water postings—I don't know if you read that part—on the EBR.

**Hon Mr Stockwell:** I did.

**Ms Churley:** I know I heard you say to the media that you were concerned and not happy with the EBR situation postings. So I'm just wondering what steps you've taken to ensure that the postings include all the required information and accurately represent the original proposals, because that's been a problem that they haven't actually—

**Hon Mr Stockwell:** I flat out told the ministry, "Look, you've got to get on that. Get them posted, get them posted correctly and I don't want any excuses." And they said, "No problem, Mr Minister, we'll be doing it."

**Ms Churley:** So we can check a little later and see if that's—

**Hon Mr Stockwell:** I fully expect you to. You wouldn't be doing your job if you didn't.



**Ms Churley:** Absolutely.

I want to ask—you said when you spoke that you doubled the number of municipal water inspectors. Is that what you said?

**Hon Mr Stockwell:** Right.

**Ms Churley:** What is that number? What exactly is the number of municipal water inspectors?

**Hon Mr Stockwell:** Fifty-one. So I would presume we had something around 25 before.

**Ms Churley:** OK. I believe you said there are 648 inspections of municipal water systems, right?

**Hon Mr Stockwell:** Around that. That sounds right.

**Ms Churley:** What I want to know is how many are out of compliance?

1730

**Hon Mr Stockwell:** Of the inspections?

**Ms Churley:** Yes. How many do you know that are out of compliance with your drinking water regulations? Answer that one first.

**Hon Mr Stockwell:** I think it's around 40%.

**Ms Churley:** So we still have about 40% out of compliance.

**Hon Mr Stockwell:** Regional inspections. Now, let's be clear about "out of compliance." "Out of compliance" could mean something as simple as being in compliance the next day.

**Ms Churley:** Right. I understand that.

**Hon Mr Stockwell:** So let's clarify "out of compliance."

**Ms Churley:** So do you have a breakdown of, if they're out of compliance, what—

**Hon Mr Stockwell:** Yes. Do you want to hear it?

**Ms Churley:** Yes, just a little sample.

**Hon Mr Stockwell:** OK. Of 648 municipal water treatment plants inspected, 392, or 60%, were identified with one or more deficiencies.

**Ms Churley:** So 60% with one or more?

**Hon Mr Stockwell:** Yes. Inadequate sampling would be 262; inadequate disinfection, 92; did not meet minimum treatment standards, 49; improperly certified operator, 27. Some 258 provincial officer's orders were issued, with 32 charges later. That was 2001-02. This year, 40% identified—

**Ms Churley:** So it's from 60% down to 40%.

**Hon Mr Stockwell:** Right. We've reduced it by 20%. We're down to 59 inadequate samplings from 262; 19 inadequate disinfections from 92; 18 did not meet minimum requirement standards, down from 49; and improperly certified operators were down from 27 to five. We went from 258 provincial officer's orders issued to 66 provincial officer's orders issued. So you can see that obviously inspections have made a huge impact on the operators.

**The Chair:** Those reports you just cited from, in summary form: can that be distributed to the committee? We have the disadvantage of Hansard not being available for some days, so is it possible to have those distributed?

**Ms Churley:** I was just going to ask that, in fact, because I'm scribbling like mad, but I can't get it all.

**Hon Mr Stockwell:** Sure.

**Ms Churley:** All right. Thank you.

I wanted to ask, then, with how many of those municipal water systems have you extended the deadline to be in compliance?

**Hon Mr Stockwell:** I think I do have that, actually. I've got it. Just hang on.

*Interjection.*

**Hon Mr Stockwell:** Ten?

**Ms Churley:** How many?

**Hon Mr Stockwell:** Oh, I'm sorry—

**The Chair:** Ms Churley, two minutes, please.

**Hon Mr Stockwell:** Of the 686 municipality-serving waterworks, only 60 have been granted an extension to upgrade their compliance. These 60 have each provided the Ministry of the Environment with detailed construction plans, specific timelines, and the interim steps that will be taken to ensure the best quality water is being supplied. Sixty.

**Ms Churley:** OK, six zero.

One last question right now. How much in capital investment is being requested at this time by municipalities to bring municipal drinking water treatment and distribution infrastructure into compliance with the regulations right now? How many have requested capital investment to be in compliance?

Do you want to get back to me on that one?

**Hon Mr Stockwell:** You've got the wrong ministry. It goes to SuperBuild.

**Ms Churley:** But wouldn't you know in your ministry?

**Hon Mr Stockwell:** Oh, no, until SuperBuild tells us.

**Ms Churley:** OK. I will take that up later, because I think my time is up. I would suggest that you need to know that.

**Hon Mr Stockwell:** Let me say I agree. That's really important to know, and SuperBuild is working on that report as we speak. They just haven't—

**Ms Churley:** So we'll get that information. Can you get it for us?

**Hon Mr Stockwell:** No, they don't have it yet. They have not given us that information.

**Ms Churley:** They don't have it yet. OK.

**Hon Mr Stockwell:** Or they may have it; they haven't shared it. But it definitely hasn't been received yet from SuperBuild. In fact, I think they're working on the studies as we speak.

**Ms Churley:** Working on the studies as we speak.

I've only got a minute left, so I'm—

**Hon Mr Stockwell:** Oh, yeah, lastly—that's a good point—it will change based on how Bill 175 gets adopted, and I don't want to make any presumptions or assumptions on Bill 175, because we've got to go to committee and see what your amendments are. Depending on what your amendments are and if they're adopted, it will change the capital costs. So we couldn't possibly give you a number until we hear from the good opposition.

**Ms Churley:** But you would know how many have requested capital funding, Chris. I mean, that's—

**Hon Mr Stockwell:** Well, not necessarily. The requests—

**The Chair:** Ms Churley and minister.

**Ms Churley:** You would know. They would have how many requests—

**Hon Mr Stockwell:** The requests would be inaccurate, because they don't know what the legislation—

**Ms Churley:** Still, I'd like to know what's been requested to date.

**Hon Mr Stockwell:** Well, to be fair, they could request \$75 billion. It means nothing.

**Ms Churley:** Yeah. That's what I want to know. They do their studies and they know why they're asking for a particular—sorry.

**The Chair:** That's OK. You'll get another opportunity, I guess next round.

This is now the chance for the minister to sum up. You've heard from the opposition parties. In this case it's been used for questions, but—

**Hon Mr Stockwell:** Sure. I would just like to make one point with respect to the water taking and a permanent—not a permanent, but an immediate—discontinuance of any water-taking test programs. It would be folly, absolute folly. You would only recommend that if you were in opposition, because only the opposition could make such a ludicrous statement. You have the safety of opposition, knowing full well that you'd never have to implement it. That's the only person who would make that suggestion.

You have people out there, like the golf person who lived with every single possible recommendation, requirement, legislation, municipal responsibility, invested millions and millions of their own dollars, and then you as an opposition member, because you're not the government, would say, "OK, you cannot open that for three or four years, or five or 10 years," and they'd go bankrupt. Why? Not through any fault of their own, but because you in the opposition would have suggested, "We will not allow any testing for water-taking opportunities."

You know full well, I say to the members of the committee on my left and those on my right, that there's a huge chasm between what you people can say and do and what the government can say and do. You can be irresponsible and make those kinds of allegations and suggestions, but you know it's not practical. It isn't at all possible or practical. I have people from opposition parties and government parties asking me about water-taking permits that they consider to be completely legitimate, completely fair. Those wouldn't be allowed to go ahead.

The only comment I wanted to make is that it's only an opposition member who could make that kind of statement. They know full well that it would have no hope of ever getting adopted or passed, and they have the sanctity, the ambassadorial sanctity, of knowing it will never be implemented. "No one will ever challenge me, so I can make any kind of outrageous, irresponsible

statement," which would be, "There shall be no water-taking permits, testing permits, allowed regardless of who you are, what you're operating in the province of Ontario until the watershed management study is back and all those bills are through the House," which would take two to three years. In fact, you would be saying to people up front, "You go bankrupt, you lose your business, you lose your house, you lose all your savings, not because you did anything wrong; but because I can do this to you, I'll do it."

There's no way you can run a railroad that way.

**The Chair:** Minister, there is time, if you wish to use it.

**Hon Mr Stockwell:** Sure, I'll take questions.

**The Chair:** All right. We have Mr Beaubien first, I believe, and then Mr Mazzilli.

**Mr Beaubien:** Mr Minister, can we talk about air quality?

**Hon Mr Stockwell:** Sure.

**Mr Beaubien:** Not being a lawyer, I'm not going to build a case; I'm going to try to build a house. So I should get my foundation set fairly well.

**Hon Mr Stockwell:** It works better that way.

**Mr Beaubien:** OK. According to the information I have in front of me with regard to NO<sub>x</sub> affecting Ontario, the sources, 50% comes from the United States, 32% comes from transportation, 8% comes from coal-fired plants and the rest of it from area sources, other processes, primary metal. So basically, most of the sources are the United States, transportation and coal-fired plants.

When we talk about sulphur dioxide affecting Ontario, 60% comes from the States, according to my figures—I don't want to be taken to task by you, sir—17% from smelters, 11% from utilities, and refineries, other processes, area sources take up the rest of it.

When we talk about mercury affecting Ontario, about 74% comes from transboundary natural sources, namely the States; incinerators, 13%; utilities, 3%; and other sources.

If my facts are correct—I had the opportunity on October 4 to visit Lambton generating station in St Clair township—I did not talk to one individual, whether it was a female or a male, who wants to lose their job because of the coal-fired plant. As you're aware, Minister, already there are some scrubbers on two of the generating facilities at Lambton. They're also putting the SCR, which is the selective catalytic reduction. I think two of them will be in operation in December 2000.

I also have a chart. Before I go there, I should probably premise my next step with the fact that I think we're all in favour of protecting the environment, including yours truly.

**Hon Mr Stockwell:** I presume that.

1740

**Mr Beaubien:** But, having lived through the summer, and it was fairly warm, most people appreciated their air conditioner, whether they were in their houses or not. It would be fairly wise to assume that they were hot. I'm



sure this winter, when it gets cold, we'd like to have a little heat in the house.

**Hon Mr Stockwell:** Most people do.

**Mr Beaubien:** It's nice to get rid of the dampness.

This past summer we did import a fair amount of energy for one reason or another. A lot of the energy came from the Ohio-Michigan border.

**Hon Mr Stockwell:** Some of it did, yes.

**Mr Beaubien:** As you're aware, right across the river from the Lambton generating station there are two Detroit Edison coal-fired plants with no scrubbers, not using low-sulphur coal, consequently polluting the air. If we go a little farther southwest, to Ohio—

**Hon Mr Stockwell:** They've got lots.

**Mr Beaubien:** —then we can go down to Tennessee. So I'm not leading you astray when I'm saying this.

**Hon Mr Stockwell:** No, I think you're bang on.

**Mr Beaubien:** I'm bang on. Well, I really appreciate that.

I have a chart here and it shows the transboundary air flow. I don't know if you can see this, but it starts down in Tennessee, Kentucky, Ohio, Michigan—

**Hon Mr Stockwell:** Yes, I see that.

**Mr Beaubien:** Then we go to the 401 corridor. That's where the prevailing winds are.

If we're going to close our coal-fired plants in Ontario, then we're going to have to import some electricity, or another minister referred to electrons, from the south. I think the States have also stated that they're not interested in using any other sources to provide electricity. Their favourite source of power is energy from coal, as opposed to natural gas. We have 32% of pollution created by transportation, and I know the 401-404 corridor can be very busy.

I hear many times in my riding and in the House about how we're going to close all these plants and how we're going to eliminate the pollution. Can you explain to me or rationalize how we're going to do both at once?

**Hon Mr Stockwell:** It's a curious, curious policy initiative that some have taken in the Legislature that I find passing strange. Their argument on certain occasions would be that we should simply shut the coal-fired plants down. It reminds me of no water-taking-permit stuff: immediately shut off. Say it was the same kind of philosophical approach. In the opposition you get to make these kinds of grandiose statements, realizing you don't have to implement them.

But let's just say you did shut the coal-fired plants down. You couldn't build gas-fired plants quickly enough to get them. Second, the question nobody seems to answer is, where are you getting the gas? We would have to buy gas from Alberta and build a pipeline from Alberta to provide us with the gas.

*Interjection.*

**Hon Mr Stockwell:** I'm hearing some pecking away in my right ear.

**Mr Beaubien:** That's an echo.

**Hon Mr Stockwell:** You'd have to buy the gas, so you have to build yourself a pipeline from Alberta be-

cause, fundamentally, the gas we import now we use. You use it to heat your home; you use it for all those necessary things. We've got a few on the boards that could use up the excess, but to replace the coal-fired plants you'd have to build yourself a pipeline. Take my word for it: you're not going to get a pipeline built in the next couple of years, and it's going to be very expensive. The question is, who's going to pay for it?

So you close down your coal-fired plant on this side of the border. Then you're short of power. At peak periods it provides 30% of Ontario's needs—30% would be Toronto; you'd basically shut all the lights out in Toronto. The really crazy part about this that I find very curious is, where would you buy your power from?

**Mr Beaubien:** I don't know.

**Hon Mr Stockwell:** You know where you'd buy it from? Michigan and Ohio.

**Mr Ted Chudleigh (Halton):** How do they make it?

**Hon Mr Stockwell:** Coal; coal-fired plants. So here we go, shutting down our power internally, paying more to import power, and how is that power generated in Michigan and Ohio? Coal. Do you realize that 50% of the issue comes from the Americans? So we're buying our power from Michigan and Ohio, bringing it into Ontario, they're producing it by coal, it goes up in the air and 50% of all that issue comes from the United States. The public policy initiative on that part is passing strange—bizarre, to say the least.

*Interjection.*

**Hon Mr Stockwell:** Apparently it's a fairy tale. I can only ask you then, if you're not going to buy your power from Michigan and Ohio, where do you propose to buy your power?

**Ms Churley:** Can we answer that?

**Hon Mr Stockwell:** No. The last time I checked, you guys didn't want to answer questions.

**Ms Churley:** I will answer your question.

**The Chair:** Order.

**Hon Mr Stockwell:** The last I checked, you didn't want to answer questions.

**Ms Churley:** If you want an answer, I've got one.

**The Chair:** Order. Minister, you're on your time.

**Hon Mr Stockwell:** Thank you so much. I appreciate it. The interruptions are distracting, Mr Chair.

**The Chair:** We will keep them to a minimum, Minister.

**Hon Mr Stockwell:** Thank you so much. My goodness.

So, you're in a situation of having to produce more power internally. To be fair, you're right: 50% of the problems from coal-fired plants come from the United States—50% of the pollution in Toronto, 93% in Windsor. It doesn't give you a situation where you'd say we aren't responsible. Of course we're responsible. We have to put scrubbers on, we have to make them cleaner, we have to find alternative forms of energy.

But I say to the members on the government side and on the opposition side, if this was so simple, why wasn't it done 15 years ago? The answer is fairly clear: it's not



that simple. The fundamental reality is that nobody wants to build nukes. Hydroelectric power has pretty much come to its fruition. We've basically sourced out as much as we can in the province.

You've got to go to gas-powered plants. Agreed. The difficulty is that you've got to build them and you've got to find the gas.

**Ms Churley:** Cogeneration.

**Hon Mr Stockwell:** Cogen is going to resolve a very small part of your 30% issue. Can you go to solar? Can you go to wind? Yes, you can. But rarely has it been shown anywhere, and particularly in North America, that it's going to provide the kind of power you need to replace shutting down the coal-fired plants.

**Mrs Dombrowsky:** In Europe.

**Hon Mr Stockwell:** Europe is another good example. The Italians have the same issue. The Italians won't allow nuclear plants in Italy. It's the same kind of policy that's been regurgitated on the opposition benches.

Here's the Italian policy: "We will not allow nukes in Italy. We won't allow them to provide our power." So what happens in Italy? They don't produce enough power for their own needs, so they import it. From where do they import it? From France. What does France have? Eighty-five per cent of the power produced in France is from nukes. There's a public policy that is so bizarre, so twisted, so illogical. They say, "No nukes in Italy, but we'll buy our power from France," where the only way they produce it is by nukes.

The same thing here: if you shut down the coal-fired plants without any plan, you've got to import your power. From where do you import it? From Michigan and Ohio. How do they produce it? Coal. There's no solution in that policy.

**Mr Beaubien:** I've got a couple of short comments and one more question.

**The Chair:** You've got one more minute.

**Mr Beaubien:** With regard to cogen plants, natural gas is usually the source. To the member from Lennox and Addington, tell the people who work at the Lambton generating station that this is a fairy tale. I don't think it is a fairy tale.

Minister, with regard to Lakeview, if you were to close that plant tomorrow, do you have the infrastructure

to bring hydro to service the needs of the people of Mississauga?

**Hon Mr Stockwell:** No.

**Mr Beaubien:** So what would you do?

**Hon Mr Stockwell:** You turn the lights out in hospitals, in nursing homes and in people's homes. If you close that plant tomorrow, you'd flat out turn the lights out. I can't imagine telling a hospital, a nursing home, a senior in their home, a single mother, a family, that as of tomorrow, the new policy for coal-fired plants in the province of Ontario is that they won't operate, therefore you will not have hydro, you will not have electricity. That's patently absurd.

**The Chair:** Final comments?

**Mr Beaubien:** That's it for me.

**Mr Mazzilli:** Minister, I just—

**The Chair:** Mr Mazzilli, you have less than one minute.

**Mr Mazzilli:** Are you responsible for Drive Clean?

**Hon Mr Stockwell:** Yes.

**Mr Mazzilli:** The good people at the ministry believe they're trying to help the environment, and they are, but it's an issue I wouldn't mind revisiting at some point, specifically the three years. At some point I believe that probably in five years, or at a point in time when you sell a vehicle after one year, you should not be made to do that when the vehicle is still under warranty.

**Hon Mr Stockwell:** I have—

**The Chair:** Minister, we're required to adjourn for a vote. In any event, the time is used up. We will reconvene here tomorrow.

**Ms Churley:** How much time do we have left?

**The Chair:** I'll have the clerk advise you how much time has been used today. In essence, we are through the first two hours. There's half an hour because we're going to end early tomorrow; we asked before you came, Minister, and there was consent from the committee, so that arrangement to your schedule has been made. That half-hour, of course, will be made up on another day.

**Hon Mr Stockwell:** Thank you very much, Mr Chair.

**The Chair:** Thank you all for your attention.

*The committee adjourned at 1750.*

## CONTENTS

Tuesday 15 October 2002

<b>Ministry of Energy</b> .....	E-177
Mr John R. Baird, Minister of Energy	
<b>Ministry of the Environment</b> .....	E-187
Mr Chris Stockwell, Minister of the Environment	

### STANDING COMMITTEE ON ESTIMATES

#### **Chair / Président**

Mr Gerard Kennedy (Parkdale-High Park L)

#### **Vice-Chair / Vice-Président**

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gilles Bisson (Timmins-James Bay / Timmins-Baie James ND)

Mr Ted Chudleigh (Halton PC)

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gerard Kennedy (Parkdale-High Park L)

Mr Frank Mazzilli (London-Fanshawe PC)

Mr Norm Miller (Parry Sound-Muskoka PC)

Mr John O'Toole (Durham PC)

Mr Steve Peters (Elgin-Middlesex-London L)

#### **Substitutions / Membres remplaçants**

Mr Marcel Beaubien (Lambton-Kent-Middlesex PC)

Mr Michael Bryant (St Paul's L)

Ms Marilyn Churley (Toronto-Danforth ND)

Ms Caroline Di Cocco (Sarnia-Lambton L)

Mr Howard Hampton (Kenora-Rainy River ND)

Mr AL McDonald (Nipissing PC)

#### **Also taking part / Autres participants et participantes**

Mr John O'Toole (Durham PC)

#### **Clerk / Greffier**

Mr Trevor Day

#### **Staff / Personnel**

Mr Jerry Richmond,

Research and Information Services

CA20N  
XC26  
-E77



Government  
Publications

E-9

E-9

ISSN 1181-6465

## Legislative Assembly of Ontario

Third Session, 37<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Troisième session, 37<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 16 October 2002

# Journal des débats (Hansard)

Mercredi 16 octobre 2002

**Standing committee on  
estimates**

Ministry of the Environment

**Comité permanent des  
budgets des dépenses**

Ministère de l'Environnement



Chair: Gerard Kennedy  
Clerk: Trevor Day

Président : Gerard Kennedy  
Greffier : Trevor Day



### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Copies of Hansard**

Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

### **Exemplaires du Journal**

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.



## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Wednesday 16 October 2002

Mercredi 16 octobre 2002

*The committee met at 1532 in room 228.*

## MINISTRY OF THE ENVIRONMENT

**The Acting Chair (Mr Steve Peters):** I call the standing committee on estimates to order, dealing with the Ministry of the Environment. Welcome, Mr Minister, to the meeting today.

**Hon Chris Stockwell (Minister of the Environment, Government House Leader):** It's my pleasure. Thanks for inviting me.

**The Acting Chair:** The rotation: we start with the official opposition and 20 minutes allocated to them.

**Mrs Leona Dombrowsky (Hastings-Frontenac-Lennox and Addington):** I expect that our environment critic will be along, but in the meantime I would ask the minister, have you been briefed that the Richmond landfill expansion is located on fractured limestone, which is a less than ideal base by your own Ministry of the Environment landfill standards?

**Hon Mr Stockwell:** I can't comment on this. I think I was fairly clear yesterday that any issue that is before this environmental process, it becomes an obligation on behalf of the minister not to comment on it in any way shape or form, either publicly or privately.

**Mrs Dombrowsky:** Perhaps you could explain the reason why you're not able to comment. There's a public environmental assessment underway at the present time—

**Hon Mr Stockwell:** It's fairly straightforward. Under the act, the environment ministry obviously oversees, looks through, the environmental assessment process. Having the responsibility of the Ministry of the Environment, being in charge of the Ministry of the Environment, any comments I make could be interpreted as biasing the decision within the Ministry of the Environment. Therefore, if I did make comments, either side would say that I biased it and (a) it would be disregarded, you'd have to start again, and (b) I'm sure you'd be calling for my head as Minister of the Environment for commenting on something that was before the environmental assessment process.

**Mr David Ramsay (Timiskaming-Cochrane):** I understand and appreciate that, as I have, as you know, one going up in my area, so I don't want to get specific about that. But just something that came out of the present environmental assessment going on with Bennett

Environmental and their proposal to build a PCB plant in Kirkland Lake was a letter from Julian Porter, representing Bennett Environmental addressed to Beak management consulting. I think you were around that day when I had some representatives from my riding—specifically, the Timiskaming Federation of Agriculture representatives had come down to release the executive summary of a report they had commissioned asking this Beak management, an environmental company, to do basically an assessment on the EA submission to the ministry that Bennett had submitted.

About two or three weeks after that, it was August 22, Julian Porter, on behalf of the proponent, Bennett, sent a letter to Beak management basically kind of refuting point by point all the things they made and got into the detail, except on the very first point that the proponent's lawyer made, which talks about the process in general. That's what I want to talk to you about today, not about Bennett specifically but about the process in general.

What Julian Porter stated in his letter was that "Beak relied on information contained in the EA document to conduct a risk assessment.... EA is a planning tool and did not contain details of the storage method and protocol, transportation details and protocols, or details of the thermal process and backup systems proposed for the Kirkland Lake facility. This information will be presented in the certificate of authorization"—I always thought it was certificate of approval, but anyway—"certificate of authorization application documents that follow the EA process."

So we're all sort of looking at this and scratching our heads and saying if the proponent's lawyer is saying that in all the data that you require to be submitted in the EA process that the public has the opportunity to comment on and try to make some judgments and to give some opinions to you and the ministry as they work up their opinions to you before you make a decision, if in that submission there's not sufficient detailed information to make a judgment, then it basically says that our process is really a farce. If the report's saying, "We don't even have to give this until much later on," but the opportunity we have to make comment is based on this information, and the proponents themselves say there's not sufficient information to make a judgement on it, I don't understand how this process is working, how we can make a judgment, especially in this case.

This was a farm organization. Like most of us, they don't have the environmental expertise. They hire a first-

rate consulting company to try to give them a judgment on this information, and the proponent's lawyer comes back and says, "Sorry, it's not available. You can't make a judgement." So please explain it, I just—

**Hon Mr Stockwell:** OK. I'll try to explain, in as non-partisan a way as possible, discussing the process.

They make applications. Their application takes any form they want that application to take. If they want to include information or not include or preclude information, they may do so.

During the EA process, any proponent or opponent to a plan can make the submission that there's not enough information in here for you to draw a reasonable or thoughtful conclusion. At that point in time, the Ministry of the Environment will look at all these statements that have been brought to their attention, and determine through the EPA process that "Yes, we need more information." And if they believe the application doesn't include enough information, considering the submissions made by, potentially, your constituents and so on, they can say at the EPA, after the EA process had a public hearing and heard the comments, "Look, they're right we need this information," and demand that the proponent go back and get it.

**Mr Ramsay:** But as I understand the new process now, the ministry and the proponent agree to terms of reference for the environmental assessment, and surely the ministry should be saying to the proponent, "You need to provide this specific information in the EA process so that people have a fair opportunity to assess it, to assess the value and potential risks of that project."

Here's the proponent's lawyer saying, "You don't have it, and we don't even have to give it in this stage," so you can't make a comment. What's going on?

**Hon Mr Stockwell:** It's very difficult for me to make any comment on the application.

**Mr Ramsay:** I'm asking in a general sense.

**Hon Mr Stockwell:** In a general sense; I can only speak in a general sense.

**Mr Ramsay:** Yes.

**Hon Mr Stockwell:** Specifically to the Bennett issue, there was a four-week extension provided.

**Mr Ramsay:** Twice now, yes. Two extensions.

**Hon Mr Stockwell:** Right, so we can get as much opportunity as possible for the public to have input into this issue. If at any point in that time they have experts or studies commissioned and paid for by opponents or proponents that they would like to submit who request more information, they simply make those requests to the Ministry of the Environment as they review it through the EPA. If we think that what you're suggesting is reasonable, then we can demand that information be brought forward by the proponents or, in other cases, the opponents. But at this point in time, it is very difficult for us to tell an applicant, "This is what you need to get this thing approved." That's their decision. Frankly, we demand all kinds of information after the EA process and hearing the submissions that was not originally provided for by the proponent when the application was filed.

1540

It's not unusual, to the honourable member, that they go through a very thorough terms of reference and that kind of stuff, and we actually go back and say, "Look, we need more information." It's not very unusual at all.

**Mr Ramsay:** Minister, this is pretty basic stuff. What the proponent's lawyer is saying is that we haven't given the ministry nor the public, through the ministry, the details of the thermal process and the backup systems proposed for this facility. That's the heart of the issue. That's the incinerator; it's the thermal system that provides the heat.

**Hon Mr Stockwell:** And I have to maintain a higher level on this. I can't respond to that question.

**Mr Ramsay:** OK. But what I am saying is that certainly the ministry, in its terms of reference for any proposal being brought forward, should be asking the proponent to submit up front, in really the only main time that the public has an opportunity for serious public comment, the details of the proposal. Since we don't have any sort of assistance to get some sort of peer review, that's the only opportunity to do it. If you want experts to look at this stuff, surely it's got to be there up front so people can have an opportunity to truly, in an informative way, comment. The proponent says, "You don't have this and you don't have that and you don't have the other thing," which are basically the three main components of this particular project. I just don't understand why that information is not there so we could have that discussion.

**Hon Mr Stockwell:** I can't speak to specifics, again. But let me say I have never seen an application where there wasn't opposition. I shouldn't say "never," but it's a rare occasion when you see an application on which there is opposition where the opposition doesn't allege there is some shortcoming in information. It happens universally. The opponents say, "We need this information," and the proponents say "Well, no you don't." What we do then is that we need to sift through those arguments and determine what kind of information, thoroughly go through it, and demand the information that is necessary.

If we acted in the fashion you ask for, I honestly tell you there wouldn't be a single application that ever could move forward because opponents to certain environmental assessment hearings would consistently and forever have some small part—or large part, whatever the case may be—of the puzzle that would be missing.

**Mr Ramsay:** Minister, to be clear, this is not the opposition. This is the proponent's litigator saying to Beak management, "You could not have made a fair judgment on our environmental submission to the ministry because we were not required to submit this information" that I listed for you: methods of storage and the protocol and thermal process. This is not the opposition talking; this is the proponent's, Bennett Environmental's, lawyers saying, "You can't make a judgment on our submission because you don't have all the details." This isn't the opposition talking; this is the pro-



ponent saying to somebody in opposition, "You can't make a detailed study at the EA public comment process because we weren't required and we won't be required until later on to give the more detailed information."

So how can we do the risk assessment? I'm just using that as an example. I'm talking about the process. If your ministry doesn't, in its terms of reference, ensure that all the information is out front, up there in the public domain so people can make comment on it, basically it's saying that the whole EA process is a farce, that there's no opportunity to make comment on it because the information's not available. It doesn't become available until further down in the process, the certificate of—

**Hon Mr Stockwell:** Right. I understand. I am going to do my best to respond. Let's just say that this information and the demands that we make will be made public in November. The public is allowed to review that, right? They can then determine if there is not enough information. They can make comments and submit them to us. If there is new information, they can take that and generate whatever studies and opportunities they have to do that.

I say this as directly as I can: the ministry staff will ensure that all required information is submitted. That's as far as I can go.

**Mr Ramsay:** OK. The problem is—and imagine now I'm going to speak for the proponent. If I, the proponent, had an agreement through the terms of reference for this as agreed upon by the two parties, you're saying you have the power to compel them to bring forward—

**Hon Mr Stockwell:** Yes.

**Mr Ramsay:** —in advance, this next stage now, before they think they are required to do it?

**Hon Mr Stockwell:** Yes. That's the best I can answer.

**Mr Ramsay:** OK.

**Mr James J. Bradley (St Catharines):** I've met several times with people from Georgina township about an abandoned smelter site in Keswick. I'm sure you know about it. I've written to you. You've issued press releases on the matter.

**Hon Mr Stockwell:** We've issued press releases?

**Mr Bradley:** You have. The ministry has several times identified that there is significant chemical contamination seeping through the soil around this abandoned site and that something should be done about it. That's your ministry that has said that.

I understand that several weeks ago the local municipality announced that it will fund the cleanup of the buildings and scraps on the yard, but not the contamination. In your response to my letter, you told me that the ministry has no plan to clean up the pollution even though the Ministry of the Environment has suggested it poses a threat to local waterways. Can you explain the reasoning?

**Hon Mr Stockwell:** Can you give me the name again?

**Mr Bradley:** Thane smelter.

**Hon Mr Stockwell:** Thane? Just give me one second. We need to do further hydrogeology studies. After they finish those studies, we will evaluate it at that point.

**Mr Bradley:** That's a different answer than any answer I've heard up to now, and that's a more optimistic answer.

**Hon Mr Stockwell:** I try to be optimistic.

**Mr Bradley:** Because you had told me through your correspondence that you had no plan to clean up the pollution even though you'd suggested it poses a risk to local waterways.

**Hon Mr Stockwell:** It may be that they're both accurate statements. It may be that they're doing the hydrogeology analysis. We don't have plans to clean up the site, but we may have plans for someone else to clean up the site.

**Mr Bradley:** On another subject, you barrelled out of the House—

**Hon Mr Stockwell:** I hurled?

**Mr Bradley:** You barrelled.

**Hon Mr Stockwell:** Oh barrelled. I try not to hurl in the House.

**Mr Bradley:** —with some fanfare, as is your wont and your style—there's nothing wrong with that—and announced, when your government was in trouble over private labs, that you were immediately sending people out, that they were in their cars now, heading to all the private labs to see if they were in compliance with all of the ministry requirements.

**Hon Mr Stockwell:** Yes.

**Mr Bradley:** How often have you visited each of these private laboratories and what have been the results of your inspections?

**Hon Mr Stockwell:** At least once. The results of the inspections I think I outlined yesterday in answer to Ms Churley's comments on the public water. On the private labs, if you give me one second I'll get the details for you. We've been to all the private labs, I say to the member for St Catharines, all the Ministry of Health labs. Every one of them is in compliance. Those are the results. We've also hired five new inspectors to do just that.

**Mr Bradley:** How often do you anticipate having them arrive unannounced at the site?

**Hon Mr Stockwell:** Once a year announced and once a year unannounced.

**Mr Bradley:** I have a question about Drive Clean. It is my understanding that all Drive Clean equipment suppliers are required to be tested and certified by California's Bureau of Automotive Repair, or BAR, as they call it. Is this correct?

**Hon Mr Stockwell:** Yes.

**Mr Bradley:** Is all the equipment currently in use in the province of Ontario's Drive Clean program, including dynamometers, BAR-certified?

**Hon Mr Stockwell:** Yes, BAR or equivalent.

**Mr Bradley:** What does "or equivalent" mean?

**Hon Mr Stockwell:** Any equivalent test that equals or surpasses the BAR test.

**Mr Bradley:** The reason I ask is that I understand there is some non-BAR-certified equipment approved for Drive Clean testing facilities.

**Hon Mr Stockwell:** Sometimes.

**Mr Bradley:** There is at least one Canadian company that has been excluded from the Drive Clean program because they were not BAR-certified.

**Hon Mr Stockwell:** BAR or equivalent.

**Mr Bradley:** So you have no problems with that so far?

**Hon Mr Stockwell:** Yes, I have no problems with that—unless you do.

**Mr Bradley:** I do, but that's another matter.

Another thing I can throw at you on the Drive Clean program: are you aware of a practice—that is alleged; I've not seen it and I've not heard directly about it, but it's alleged out there. It is a situation where a person gets the registration number of a car and then puts his own car—in other words, the owner of the garage puts his own car—on the testing machines for testing. Are you investigating any of those matters?

1550

**Hon Mr Stockwell:** Constantly. Any allegations—I can't actually point to a situation right now. We get a lot of allegations that we do inspect. We've had some success in the past catching some individuals who have been doing that and alleged to be doing that, but we have absolutely none right now on our books.

**Mr Bradley:** I want to touch on the Lakeview generating station and the announcement made at long last to close the plant, as you have noted. The news would be made even better if you had said that brand new boilers must be used if that plant were converted, not the old boilers. I'm not suggesting that's necessarily going to be the solution, but there is a plant there at this time. Why would you not require that the new boilers and the new equipment be installed in such a plant if it were converted to natural gas?

**Hon Mr Stockwell:** I think there's this misconception out there, and I think you may be under this misconception. When someone says they will convert a coal-fired plant, there's this idea that they go in and actually keep the same structure and actually convert it. That doesn't happen. What happens is basically that they mothball that plant and right next door they build a gas-fired plant. It didn't make a lot of sense to us, from an economic point of view, to say that, because there is absolutely no interest, as far as I can see, that anyone would actually go into that Lakeview plant and convert the existing structure.

When people say "conversion," what they mean is, "Shut this down. Open a gas-fired plant."

**Mr Bradley:** And you would require new equipment for that?

**Hon Mr Stockwell:** Absolutely.

**Mr Bradley:** I think I'm out of time.

**The Acting Chair:** You have about 30 seconds.

**Mr Bradley:** Oh, then I'll ask him about something else. SWARU: I noticed that you were asked a question on SWARU.

**Hon Mr Stockwell:** Right. A spectacular job by the Ministry of the Environment staff.

**Mr Bradley:** Your announcement came the day after the report was announced that there was a deteriorating situation at SWARU. The announcement would have been more impressive if it had been a previous occasion to that, because you would have a lot of that information in your hands earlier. Why, when you were seeing the pattern of the deterioration that wasn't getting better—deterioration, as I understand—why did you not take the action when you saw that deterioration?

**Hon Mr Stockwell:** Oh, we did. The fact of the matter is—

**The Acting Chair:** A quick answer, please.

**Hon Mr Stockwell:** I'll do my best. We did. You, as an ex-Minister of the Environment, would know that you don't just write a C of A in two days. We saw the deterioration. We opened negotiations on a C of A. We concluded those negotiations with the C of A as of last Friday. There's no doubt that as soon as we saw the deterioration, we jumped, they jumped well, and they got a C of A and an agreement with the city to live by that C of A.

**The Acting Chair:** Thank you, Minister. We'll move to Mrs Churley—Ms Churley—and the third party.

**Ms Marilyn Churley (Toronto-Danforth):** Ms, thank you.

**The Acting Chair:** I know. I corrected myself. I apologize.

**Ms Churley:** You did. That's right.

Minister, thank you for supplying—

**Hon Mr Stockwell:** Chris.

**Ms Churley:** Chris? Well, I think I'll get to that eventually. It'll break down, but I thought I'd be polite at the beginning.

Thank you for supplying these numbers. They indeed are very large numbers, aren't they?

**Hon Mr Stockwell:** Not really.

**Ms Churley:** I got them all right yesterday. However, that was a rhetorical question.

**Hon Mr Stockwell:** Oh, sorry. Yeah, they are.

**Ms Churley:** First of all, I wanted to correct the record about Drive Clean. I believe you said yesterday that the opposition didn't support that program. In fact, we did. You weren't the minister at the time, so you may not have paid attention. From about 1995, when the government was first elected, to when you first brought the program in, I was on my feet—and staff here will remember this—on numerous occasions.

**Hon Mr Stockwell:** I said some people in the province didn't support it.

**Ms Churley:** Oh, well, OK.

**Hon Mr Stockwell:** I never said you didn't support it.

**Ms Churley:** You may have misspoke.

**Hon Mr Stockwell:** No no, you may have misread. I said some people in the province.

**Ms Churley:** I wasn't reading; you were speaking. However, we did support it, and in fact—

**Hon Mr Stockwell:** I never suggested you didn't.

**Ms Churley:** OK, good—it was due to our efforts that your government finally, after a couple years of this, brought in the Drive Clean program.

**Hon Mr Stockwell:** Well, that's conjecture.

**Ms Churley:** However, I wanted to just briefly come back to the Bennett—

**Hon Mr Stockwell:** Proposal?

**Ms Churley:** Yes. I just wanted to ask you about intervenor funding. I'm going to just stay away right now from what I believe to be real flaws in the scope system that you have, and talk about intervenor funding. I believe the cornerstone of democracy is equal access to justice, and intervenor funding, which, as you know, came under the AG's office, didn't cost taxpayers money. The proponent had to give a certain proportion of money to intervenors—that's how it worked—so they could participate in a meaningful way. You have to bear in mind that these are only large proponents, who are spending millions of dollars of their own money to do their own studies.

Your government, the Harris government, cancelled intervenor funding, or didn't renew it; it had come to an end. Since that time, citizens' groups across the province, where there are any kind of EAs happening, have a really hard time. They're not getting justice. They never got equal access to companies with millions of dollars to spend, but they did at least have fair and meaningful access, which they don't have any more. They are fundraising like crazy, but they feel like they cannot possibly—and it's true—be able to meet the same standards that the proponents have, who have a lot of money to participate and bring forward their own studies.

My question is simply this: would you support looking into doing a bit of a study on the impact this has had on intervenors across the province and look into bringing in a new intervenor funding program?

**Hon Mr Stockwell:** Well, the first part of your comments I think is fatally flawed and inaccurate, when you said it never cost the taxpayers any money. That's patently wrong. You and I both know that many of these applications come from municipalities, the province itself on occasion, and intervenor funding would be required by the local municipality to be paid to whatever group that was determined to be fair. That's taxpayers' money.

**Ms Churley:** Sometimes you are right. I stand corrected. I think it's taxpayers' money well spent. The proponents generally, though, under EAs—most EAs are only done with the private sector. The public sector normally didn't—no, I'm sorry. I've got it backwards, don't I? It's the public sector that came in, and sometimes the private sector. So you are right: there are times when a municipality would pay that intervenor funding.

Having set aside that, though, it was the proponent, whether private or the public sector, paying it. It gave citizens—that's the crux of my question—fair access to justice. My question is quite fair: would you undertake to at least look at—it hasn't been studied—the impact it's having on community groups and other objectors in these things, to see if there actually is a problem?

**Hon Mr Stockwell:** I can tell you, frankly, I have not noticed any drop in activism with respect to—

**Ms Churley:** But that's not what I'm saying. I hear all the time, Chris, from people who are—for instance, over the Bennett proposal and others. It is a real problem, and all I've asked you is if you'd be willing to undertake taking a look at it and seeing what the impact is, because that hasn't been done.

**Hon Mr Stockwell:** I think we always measure the impact. Frankly, I think we've measured on a fairly routine and regular basis. I think the Ministry of the Environment measures the impact every day.

**Ms Churley:** I didn't want a general—I wanted this particular program, intervenor funding—

**Hon Mr Stockwell:** You want a yes or no, but I don't want to give you a yes or no. I want to elaborate on it.

**Ms Churley:** OK. That's my answer.

Yesterday, the last question I asked you—you weren't able to answer it because it comes under SuperBuild. I asked you how much capital investment is being requested by municipalities to bring their municipal drinking water treatment and distribution infrastructure into compliance with your regulations. You said you don't know and it comes under SuperBuild. I want to ask you, what direct role does your ministry play in the decision-making process for the funding of these municipal water systems? You don't know, you said you couldn't give me the information, so what role do you play?

**Hon Mr Stockwell:** We review the plans; we determine whether or not they are up to standards. After reviewing the plans and determining they're up to standards, we would review the cost implications and the government's participation in the capital works programs after that.

**Ms Churley:** Do you make recommendations to SuperBuild, then, after that?

**Hon Mr Stockwell:** No, I think SuperBuild would probably make recommendations to us.

**Ms Churley:** So they would do their own analysis. You would do an analysis, SuperBuild would do one and you don't have a direct role in recommending, after your analysis—

**Hon Mr Stockwell:** No, no, I think we actually make the decision.

**Ms Churley:** You make the decision?

**Hon Mr Stockwell:** The Ministry of the Environment, yes.

**Ms Churley:** OK. So you review the plans. You make the recommendations.

**Hon Mr Stockwell:** Well, at this point in time, yes.

**Ms Churley:** So you would know that, in that case. If you're reviewing and making the decision, you should be able to answer my question from yesterday.

1600

**Hon Mr Stockwell:** I appreciate the fact that you think I should be able to answer your question. The request for funding goes to SuperBuild. SuperBuild assesses the situation and then we make a determination,



the Ministry of the Environment, about where it goes from here. It's a clear delineation. SuperBuild is a capital account. They're going to determine how you pay for it, what the process is that you work through, but the Ministry of the Environment is the ministry that would, in fact, review the plans to determine if they're living up to the terms and conditions and so on.

**Ms Churley:** There's a gap here, though.

**Hon Mr Stockwell:** So it's a decision in concert but, with respect to the applications to date, right now, it's not even close to being completed right across the province, so the information would be not only incomplete but probably insignificant compared to the final amount.

**Ms Churley:** I think I'll be coming back to you on that one, but for now I want to try to get to the bottom of the funding under the municipal partnership initiatives, because your government's most recent budget shows that your government underspent about \$171 million in the municipal partnerships initiative. That means you only spent \$29 million of the budgeted account. The budget states that you couldn't spend because of delays in approvals and finalizing contracts. So what I want to know is, how much of that was water infrastructure projects to help them meet the regulations?

**Hon Mr Stockwell:** What ministry are you talking about?

**Ms Churley:** Municipal partnerships initiatives—

**Hon Mr Stockwell:** Municipal affairs.

**Ms Churley:** What I'm asking you, though—you don't have access to that, either, because it may come under municipal affairs, but the fact is that the government underspent \$171 million. I want to know if it comes under the water upgrade budget. The budget—

**Hon Mr Stockwell:** It could come under a lot of budgets.

**Ms Churley:** But it clearly states that you couldn't spend, because of the delays and approvals of finalizing contracts.

**Hon Mr Stockwell:** Marilyn, you've got the wrong minister here. You've got to ask the Minister of Municipal Affairs.

**Ms Churley:** Why?

**Hon Mr Stockwell:** Because that's the way it works.

**Ms Churley:** But you should know this; you're the Minister of the Environment.

**Hon Mr Stockwell:** I should know a lot of things, but you see this army of people behind me? They're all here because I don't know everything.

**Ms Churley:** I'm sure that's true. Nobody's arguing with that.

**Hon Mr Stockwell:** I agree. Candidly, you should have a few people behind you.

**Ms Churley:** But surely, Minister, when we're talking about sewer and water infrastructure, you must have somebody there—not you—who must have the details about how much of that water infrastructure was to help them meet the regs.

**Hon Mr Stockwell:** Well, Marilyn, to be fair, you're asking a question about a pot of money that exists within

the Ministry of Municipal Affairs. Now, I'm quite certain you have your reasons for believing I should know that.

**Ms Churley:** Yes—

**Hon Mr Stockwell:** But, the minister—

**Ms Churley:** You should be responsible—

**Hon Mr Stockwell:** Oh, I hear you.

**Ms Churley:** —as Justice O'Connor said, for all water-related issues.

**The Acting Chair:** There's no debate back and forth. Through the Chair, please.

**Ms Churley:** Why not?

**Hon Mr Stockwell:** I appreciate the point you're trying to make, but all I can tell you is that that pot of money is distributed, dealt with and handled by the Ministry of Municipal Affairs. It may be a very relevant question. But I think you should get the Minister of Municipal Affairs in here and ask him.

**Ms Churley:** Wouldn't you like to know, though?

**Hon Mr Stockwell:** There are many things I would like to know.

**Ms Churley:** Let me just put it this way: I will pursue that—

**Hon Mr Stockwell:** I would like to know your train of thought.

**Ms Churley:** My train of thought is that I want to know what has happened to that money. The fact remains, Minister, that there are certain municipalities that were unable to meet your so-called tough new regs. They didn't have the money to do it. The date for compliance was then extended. I want to know, because this is pretty important to the safety of our drinking water, what happened with that money? Did they get it? That's a legitimate question to ask the Minister of the Environment.

**Hon Mr Stockwell:** Well, I can only say to you that that program is managed and administered by, my guess is, the Ministry of Municipal Affairs. It's not managed by me, and you should probably call him to estimates and ask him that question.

**Ms Churley:** OK. So for the record, Minister, what we have here is a question on capital investment for drinking water treatment and distribution; you don't know because it's under SuperBuild. For the record, money that's—

**Hon Mr Stockwell:** I don't know if those are questions or statements, but that's not anything close to what I said.

**Ms Churley:** For the record, you don't know about the underspent money under the municipal partnership initiatives to help fix up water and sewer systems.

**Hon Mr Stockwell:** Again, that money, I do not believe, is exclusively for water and sewer systems. I might want to pursue that with you.

**Ms Churley:** Yes. I want to know. If you can't answer it here—and you're right, I can pursue it through other channels. But the fact that money was underspent—I guess in that case, I won't pursue what then happened to the rest of that money, whether it went back into general revenues or if it's still set aside—

**Hon Mr Stockwell:** If it wasn't spent and previously dedicated, it would probably go back into general revenue. That would be my guess. Any previous minister would tell you the same thing, that underspent dollars that aren't previously dedicated would probably go back into the general revenue account.

**Ms Churley:** I'll pursue that, and perhaps you will too. I'm sure you'd like to know.

**Hon Mr Stockwell:** Good thinking. I'll give them a heads-up.

**Ms Churley:** I wanted to ask a couple of questions. Perhaps Mr Breeze will be invited to participate in this, but I wanted to talk about the Gibbons report. I asked a lot of questions during the last committee hearings on this. We don't hear about the Gibbons report anymore, and I understand some work is being done. I want to know how much money has been spent to date on implementing the Gibbons report, and specifically how much has been spent on consultants, and who those consultants are.

**Hon Mr Stockwell:** Can you just give me one second?

**Ms Churley:** Sure.

**Hon Mr Stockwell:** The difficulty we're faced with on that particular report is that it's not a specific project initiative report. It's a process or a way of doing business. It's spent right across the entire ministry without any dedicated specific expenditure program initiatives. So it will be very difficult to itemize and give you an exact dollar value because it's not so much, as I said earlier, a specific program-related initiative; it's a process in a way of doing business.

**Ms Churley:** But I understand from last year when we covered this issue under estimates that there was, if not a dedicated fund, a specific unit set up under Mr Breeze to implement the Gibbons report, which means there would have to be some budget attached to that and consultants hired.

**Hon Mr Stockwell:** You would like the budget for the personnel who work under Mr Breeze?

**Ms Churley:** I know as well there have been consultants, and studies done on various components of the Gibbons report. So what I'm asking is very simple: what money has been allocated to bring forward recommendations from the Gibbons report, who were the consultants, how much money has been spent on these consultants and, finally, what is the product? What have we got as a result of spending that money?

**Hon Mr Stockwell:** The question is simple; the answer isn't. The problem with your question is you're asking me what consultants have been hired and where have they done it.

**Ms Churley:** Yes.

**Hon Mr Stockwell:** The problem is, there's no local area to deem. That was specific—

**Ms Churley:** But that's not what I was told last year, Chris.

**Hon Mr Stockwell:** I think it was. You should reread your Hansard. I think you have a confusing way of hear-

ing something and coming to a conclusion that may not necessarily be what was intended to be the information provided.

**Ms Churley:** What?

**Hon Mr Stockwell:** It was never designed that this amount of money, this pot, would be designated specifically as the Gibbons report, consultants would flow out etc. There is a small group of people that work under Mr Breeze, but the money is filtered out and spent throughout the ministry in different sections. None of it is dedicated back specifically to the Gibbons report initiatives, dollars spent, line item, itemized budget.

**Ms Churley:** What about the consultants?

**Hon Mr Stockwell:** There could have been lots of consultants hired, but they would have been hired as consultants out in different sectors of the ministry to provide expertise, input into the process of doing business.

**Ms Churley:** I'll accept your answer on that for now. I would say that the public has a right to know when you bring forward, with a lot of fanfare, a new direction for the Ministry of the Environment. We haven't seen any noticeable product as a result of that yet.

**Hon Mr Stockwell:** Au contraire. Absolutely wrong. SWAT's a good example of where the Gibbons—

**Ms Churley:** SWAT happened before the Gibbons report, Minister.

**Hon Mr Stockwell:** That's wrong, first of all. Secondly, the Gibbons report was an example of the work they did that generated the compliance orders and so on that SWAT is now in fact doing. You're completely wrong. If you were any more wrong—well, you couldn't be right. You couldn't be any more wrong.

1610

**Ms Churley:** Minister, I'm sorry, you are wrong. The first mention that I have seen of SWAT was in the leaked cabinet document, before the Gibbons report came out as a suggestion to the ministry.

**Hon Mr Stockwell:** But it was the compliance program of SWAT that the Gibbons report dealt with.

**Ms Churley:** Why are we mired in this, tangled in this? I asked a really simple question: what consultants were hired to—

**Hon Mr Stockwell:** I expect nothing less, but sometimes the questions have complicated answers. You're frustrated because your simple questions have complicated answers. I can't help you with that. Life is complicated.

**Ms Churley:** Well, you should be able to.

**Hon Mr Stockwell:** Running a ministry of thousands and thousands of people with hundreds of millions of dollars sometimes gets complicated. I can't stop that.

**Ms Churley:** Chris, you never would have accepted an answer like that when you were sitting over here.

**Hon Mr Stockwell:** I would have revelled in that answer.

**Ms Churley:** You are accountable.

**Hon Mr Stockwell:** I would have had a parade if a minister were in government and I was in opposition and they actually answered it so directly.

**Ms Churley:** OK, Minister, we'll leave it at that for now.

I want to come back to the MOE staffing levels.

**Hon Mr Stockwell:** How much time has she got?

**Ms Churley:** How much time do I have?

**The Acting Chair:** Two minutes.

**Ms Churley:** Oh, is that all?

In your recent budget you said you provide funding to hire 26 new water inspectors. So how many have been inspected—this should be an easy one—and how many were hired on full-time, permanent contracts?

**Hon Mr Stockwell:** How many have been inspected?

**Ms Churley:** How many have been hired? You said you provide funding—

**Hon Mr Stockwell:** Fifty-one.

**Ms Churley:** And how many of those are hired on full-time, permanent contracts?

**Hon Mr Stockwell:** All of them.

**Ms Churley:** All of them? Every single one of them?

**Hon Mr Stockwell:** Every single one of them.

**Ms Churley:** OK. In total, how many permanent inspectors are currently inspecting municipal water systems?

**Hon Mr Stockwell:** You mean just the water systems, not testing labs?

**Ms Churley:** Yes, the municipal water systems.

**Hon Mr Stockwell:** And private water systems?

**Ms Churley:** Municipal water systems.

**Hon Mr Stockwell:** Not privates?

**Ms Churley:** Yes.

**Hon Mr Stockwell:** It's 26 to 51.

**Ms Churley:** And in total how many full-time, permanent inspectors are currently inspecting water-testing labs?

**Hon Mr Stockwell:** Five.

**Ms Churley:** How many water-testing labs are there?

**Hon Mr Stockwell:** Fifty-eight.

**Ms Churley:** How many microbiologists specifically working on water issues do you have working with the Ministry of the Environment?

**Hon Mr Stockwell:** There are 137,000.

**Ms Churley:** Microbiologists?

**Hon Mr Stockwell:** Three.

**Ms Churley:** How many scientists does the MOE employ who are working specifically on water quality issues?

**Hon Mr Stockwell:** That's a tough question. It would be difficult for us to quantify exactly the number of scientists working on water quality issues because they could deal with a whole broad range of issues.

**Ms Churley:** So you don't have any kind of—

**Hon Mr Stockwell:** Do we have any scientists? We have lots of scientists.

**Ms Churley:** No, no. You have no idea? You can't say in any way?

**Hon Mr Stockwell:** I can tell you how many scientists we have. Probably every one of them at some point in time would have dealt with the water quality issue.

**Ms Churley:** So there is none dedicated specifically to water?

**The Acting Chair:** Ms Churley, that concludes your time.

**Hon Mr Stockwell:** What an awful shame your time's up.

**The Acting Chair:** You'll have an opportunity to continue at the next round. We'll move to the government side.

**Mr Ted Chudleigh (Halton):** Going back to a previous question, 570 billion litres of water used in Ontario, or 125 billion gallons—

**Hon Mr Stockwell:** Yes.

**Mr Chudleigh:** If we took all the water in Ontario—

**Hon Mr Stockwell:** How much do we have?

**Mr Chudleigh:** Well, I think we would have two types of water. One, we have reservoir water and, second, we have renewable water. So if we took the lowest level of the lakes, rivers and streams, that would be the reservoir that we have. Everything else that flows over that would be the renewable.

**Hon Mr Stockwell:** Right.

**Mr Chudleigh:** What percentage is the 600 billion litres of water to the renewable figure? Before you answer, 10 or 15 years ago I was at a seminar where we discussed this kind of thing and 10 or 15 years ago it was one tenth of one per cent of the renewable water. Do you know if that's changed very much today?

**Hon Mr Stockwell:** The only comment I can make is that it would be the smallest of fractions of the original amount you spoke of. If you want to take the whole number—like my friend from the NDP says, "Holy smoke, that's a lot of water,"—you can probably do that and frighten people into believing that's a lot of water, but the reality is that it is such a small, small fraction. You're into Whoville, in Dr Seuss's words. It's a small fraction of the amount of water.

**Mr Chudleigh:** In the industrial water, which is 461 billion litres and by far the largest component of all the water users in Ontario, what percentage of that water is used for the cooling of our nuclear reactors and therefore goes in one pipe and comes out another, albeit a few degrees warmer?

**Hon Mr Stockwell:** Well, I'll tell you this much, I can't specifically answer that question, but what I could—

**Mr Chudleigh:** Oh, you can't?

*Interjections.*

**Hon Mr Stockwell:** Well, OK, I know, but that's not just for nuclear. Your question is for dams, wetlands, cooling water, hydroelectric power generation and so on and so forth, the stuff that actually just goes in and flows back out?

**Mr Chudleigh:** The industrial, yes.

**Hon Mr Stockwell:** Two thirds. Two thirds just goes in and comes back out. It sounds like an enormous number but when you hive off the two thirds that just goes in and comes back out, the number is far less.



**Mr Chudleigh:** So the water we're using in Ontario, we're using it very carefully.

**Hon Mr Stockwell:** Let me say this: I think the water issue with respect to water taking and so on—I was profoundly disappointed with the opposition yesterday and their position on water taking. I know Ms Churley has said that if she were the government in place tomorrow, she would put a moratorium not to allow any testing of water-taking permits or any water-taking permit renewal—nothing. You couldn't get anything done. That's really disturbing.

**Mr Chudleigh:** All the crops in Ontario would die.

**Hon Mr Stockwell:** All the crops in Ontario would die. You would have businesses and companies going bankrupt. You'd have homes being foreclosed on. You'd have children being put on the streets because their home had been foreclosed on, and you'd have bankruptcies all over.

**Mr Chudleigh:** But we'd have water.

**Hon Mr Stockwell:** Frankly, I can't believe that's a public policy position. I gave her the opportunity to back out yesterday, but she didn't, so I've got to believe they mean it because I heard her say it. When you actually look at it from the whole reality of how much water is there, we have to be careful about water taking. We are careful. We're doing studies on the movement of water, the source protection of water and cleanliness of water. But you also have to comprehend there's a balance here. There are businesses, there are activities, there are all kinds of things that surround the water. Water taking needs to be regulated, methodically inspected and properly enforced, which these folks do every day of their lives. I think we should have a great comfort level in the water-taking permits and the process you have to go through to get them and the testing. Frankly, I think that we, the government and the bureaucracy, the civil servants, have done a very good job dealing with this issue head on.

**Mr Chudleigh:** Thank you, Minister.

**Hon Mr Stockwell:** Thank you for that very insightful question.

**Mr John O'Toole (Durham):** I'll try and be brief. I have two specific issues I would like to put on the record that are quite local in concern to me but in a broader sense I'm sure they are a concern to the people of Ontario.

The first one is the memo issued by one of the ministry staff, Mr Steele, on Durham water quality and the reporting mechanisms. Apparently this issue is before the courts or will be before the courts. I attended a broad meeting with the Durham regional council. It was the number one issue of how the communication got in the way of public confidence in the water system.

My question in this respect is, what other municipalities have been charged or notified? If you can't provide that information, I do want it in writing, because I would take some issue with the communications strategy. That's issue number one.

**Hon Mr Stockwell:** Is your concern—

**Mr O'Toole:** My number two issue, if I could finish, and then you can respond in whatever fashion your style permits.

**Hon Mr Stockwell:** You're like one of the opposition parties.

**Mr O'Toole:** Protect the Ridges is a group I have been working with for some time—actually an exhaustive amount of time—and I feel I've been placated and met with less than clarity and more than natural obstacles.

What is the current status of the testing that was promised by the ministry on wells, water tables, berms and all the rest of the gun clubs in my riding of Durham? I would like to know specifically, in writing, when the tests will be completed. "Blah, blah blah, it's winter, we can't do it now. We missed another year because it's spring." I'm sick and tired of being placated. I hate to sound like an opposition member here, but I want the response to those two issues on the public record. That concludes my outrage for this afternoon. You can give it to me now or later. It's on the record and I'll be sending it out as soon as I get a copy of Hansard.

**Hon Mr Stockwell:** Okay, I'll get it to you later.

**Mr Frank Mazzilli (London-Fanshawe):** Minister, this evening I'm going to be on a TV show.

**Hon Mr Stockwell:** Which one?

1620

**Mr Mazzilli:** Well, Focus Ontario it happens to be. The issue is going to be ethics, I think. That's what the Liberals want to talk about, but I'd like to talk about Dalton McGuinty's clean air plan. Can you give me a few pointers on what I might want to tell the people of Ontario about this plan?

**Hon Mr Stockwell:** That's an interesting question. It's a broad question that allows me to, really, go anywhere I want with respect to this issue, and I want to thank you for that.

I guess the major shortcoming that we have with respect to the plans that I've seen from opposition and others out there—you know, there's this concern about road construction, the 905 gridlock that's taking place. I think some parties are on the record saying they're not building any more roads; that's no way to go.

You've got to understand that a lot of the concerns with respect to greenhouse gases have to do with cars. Do you realize that a car travelling at 60 or 70 kilometres an hour produces X amount of greenhouse gases, and as it slows down, that actually increases to the point that if it's bumper to bumper it's off the wall, off the map, how many more greenhouse gases it produces in the province of Ontario?

The worst thing that you can see as an environmentalist—obviously you want some responsibility with respect to SUVs and people to use their cars properly, and we're asking them to do that. I think we're all engaged in that process. I know the member from St Catharines is gainfully engaged in ensuring that. But what you should know is that when these cars slow down to a crawl, and you see it every day, that's the worst

possible effect on climate, on greenhouse gases and on the viability of the environment for the province of Ontario. That's why I'm really happy with Chris Hodgson and Smart Growth, when he talks about strategic building, putting road construction out there as a possible way to reduce the greenhouse gas emissions from traffic that has just come to a dead stop.

Furthermore, the other thing that people can do, and I really, really am concerned about this because the day Mr McGuinty did commit to setting a good example was August 13, and that day a smog advisory was in effect. I've often told people, when a smog advisory is in effect, it's better you don't cut your lawn, it's better you not have a barbecue because those are the kinds of things that cause concerns with respect to smog. So I was profoundly disappointed on August 13, when Mr McGuinty made his announcement: he had 200 Liberal Party supporters at a barbecue.

Those are the kinds of things we have to put at the forefront. We've got to get our minds thinking that way. When there are smog days, don't have that barbecue, don't cut your lawn, because those are the kinds of things that cause smog, that cause the depreciation of the quality of air in the province of Ontario.

I'm not putting too fine a point on this but there's a lot of argument about the coal-fired plants, and coal-fired plants, agreed, are a problem. The coal-fired plant situation is that we have to find a way to deliver electricity in a cleaner fashion. We all agree with that. We've got to find a way to deliver electricity in a cleaner fashion but also to deliver that electricity.

I agreed with the members opposite, Ms Churley and Mr Bradley, when they signed the alternative fuels report, when they suggested that we should have those coal-fired plants closed by 2015. They signed that report, and they knew the work that went into that report, and the reasonableness of that report, and the responsibility of that report. So I agree with them; I don't agree with their leaders. Mr McGuinty said he's going to close the coal-fired plants in 2007. The member for St Catharines knows, having sat through months and months of hearings on alternative fuels, that that can't be done. That's why he signed his name to the report that said 2015.

So I think we have to be prepared to make those hard decisions, like closing Lakeview in 2005, but if you're going to simply make that decision and shut the lights out in the province of Ontario and hospitals and businesses and homes and nursing homes, then I think you've done a disservice to the people of the province of Ontario.

**Mr Mazzilli:** So let me get this right. If you close that, as Dalton McGuinty would say, and you buy your hydro from the US side, what kind of plants would that come from?

**Hon Mr Stockwell:** This is another problem, and I spoke to this yesterday. If you end up going outside your borders to buy power, and if you're going to talk about closing the plants in 2007, I think any reasonable person who has looked at this, including Ms Churley and Mr Bradley, would say you can't possibly provide your own

power if you're closing your coal-fired plants—30% of your power. Put scrubbers on them, do good things to them, but you can't close them in 2007 or you have to go outside your borders to buy it. You can buy it from Quebec, but you're going to buy some from Michigan, you're going to be buying some from Ohio, and what kind of power are you buying? Dirty coal. They burn dirty coal, and they're responsible for 50% of these problems in the southern Ontario smog issue.

So closing your plants and substituting that with power purchases from Ohio and Michigan is foolhardy, to say the least.

**Mr Mazzilli:** On Drive Clean, I want to just bring out a couple of issues that perhaps at some point your ministry can look at. Three years is certainly an aggressive target, well intentioned, and like you said, all your ministry people are looking after the environment. I also think it's almost too aggressive. I've heard cases of people having a three-year bumper-to-bumper warranty that includes tire changes, oil changes, and before that warranty is even up they get a notice for Drive Clean, which is somewhat inconsistent, if you will, with a vehicle that new requiring any kind of work. Was there any thought of perhaps making it five years or something a little more reasonable?

**Hon Mr Stockwell:** No; candidly there hasn't. Most jurisdictions that we have examined have the three-year program as well. Generally speaking and not completely speaking, most car warranties are basically three-year/60,000; sometimes you get to five-year/100,000 on some models. But we've found in our investigations that there is some initial breakdown of the cars' operating ability after three years. We can't put a kilometre range on it because that's impossible, so we believe that you should stick to the three-years-and-after program.

I know it causes some problems; I heard it at the doors in my last campaign in 1999. But I'm committed to it and I know the party is committed to it and I know we're the government that brought it in. I think it's just something you're going to have to say to the residents of this province: it's good for the air, it's good for our children, it's good for the people of this province. We appreciate that sometimes you are taking your three-year-old car and you just walk it through and it's in and out; and if that's the issue then so be it. But there are cars that are captured in the program that are reasonably close to three years old—not many, but there are some—that by taking the corrective measures we got cleaner air in this province, and that should be everybody's game plan.

**Mr Norm Miller (Parry Sound-Muskoka):** I have a question to do with Bennett Environmental and the process that is going on there. You may or may not be able to answer it. I know it's in process, but certainly coming from my riding, Parry Sound-Muskoka, I've had numerous calls to our constituency office to do with the proposed incinerator in Kirkland Lake, mainly concerned with trucking hazardous waste up Highway 11 right through the riding and the safety involved with that.

There has been mention in the media that these hazardous wastes would be coming from Mexico. I don't

have a problem with us looking after our own problems, especially hazardous waste generated in Ontario. Do we have any idea, or is this in fact correct, that it would be hazardous waste coming from Mexico? I can't imagine soil being trucked all the way from Mexico to Kirkland Lake, first of all. I wonder if you could make a comment on that first.

**Hon Mr Stockwell:** I'm just getting information as to whether or not I can comment on that, so just give me one second.

**Mr Miller:** OK.

**Hon Mr Stockwell:** I can't make comment on that. I'm sorry.

**Mr Miller:** OK, then generally a question, not specific then. In terms of dealing with hazardous waste, what are our options with soil contaminated with PCBs, which I think is what this incinerator is proposed for? Are there other options? Do they allow this in the United States? Do they allow incinerators?

**Hon Mr Stockwell:** I think this is predominantly allowed in most jurisdictions—yes, it is allowed in the US, as is done in most countries, including Canada as well in other provinces. Alberta is acting—

**Mr Miller:** I think I read somewhere that there aren't new incinerator licences being allowed in the United States. Maybe I'm wrong—

**Hon Mr Stockwell:** I've not heard that.

1630

**Mr Miller:** OK. I think I just read that in media reports. So it is allowed. Are there any other options? I'm for dealing with the problem, especially if it's a problem generated in Ontario. I think we have to responsibly deal—

**Hon Mr Stockwell:** Well, we do generate PCBs in Ontario. There's just no two ways about. The fact of the matter is the Americans won't let us import PCBs to be destroyed in the United States. So we have a pragmatic reality. I'm not commenting on the Bennett issue or not, but we have to deal with our own PCBs. I think any environmentally responsible government would understand that and accept the fact that if you're producing this, you have a fiduciary obligation to the world at large and to your constituents to manage this and handle this in a safe and practical fashion.

**Mr Miller:** I would agree with that. If we don't deal with this hazardous waste it's going to be sitting somewhere and perhaps contaminating the water system or creating other problems.

**Hon Mr Stockwell:** Well, in flat-out fact, it's stored, and I just don't know many people who want to have it stored right next to their home. Unless you have some examples, I don't know anybody who wants to have a PCB storage area next to where they live or next to their school or church or business.

The reality is that you have to be responsible environmentally. Responsible not only means that you've got to fight the fight—and I agree with all that, and the process has to be determined—but if you produce these things, you should be responsible enough to be able to

deal with them. This Pollyanna approach, to stick your head in the sand and just let them pile up in sections around this province, is reprehensible, in my opinion.

**Mr Miller:** I noticed in the recent clippings from a northern newspaper that there's been a 30-day delay by the MOE in the next step of the process with the Bennett incinerator and that there have been over 60,000 letters submitted. More submissions have been made to do with this proposal than any in history.

*Interjection.*

**Hon Mr Stockwell:** We have extended I believe twice, and we are extending again our time. We want to hear from the constituents. We want to hear from the opponents. We will undertake to read all the submissions. There's nobody who doesn't want to manage this whole process in a very environmentally sensitive, responsible way and hear from those pro and con.

**Mr Miller:** Is there any other means of dealing with hazardous soil contaminated with PCBs other than incinerating? I read an article from—

**Hon Mr Stockwell:** No. Not that I know of.

**Mr Miller:** —my opposition in the past election, Richard Thomas from the Green Party, saying there was a process not through incineration. Maybe one of your experts knows.

**Hon Mr Stockwell:** All I can say is that the common technology used throughout the world is incineration to destroy the organics. There may be another methodology out there, but it hasn't proven to be universally accepted in many jurisdictions, if any.

**Mr Miller:** Thank you.

**The Acting Chair:** Thank you, Mr Miller. We'll move back to the opposition; Mr Agostino.

**Mr Dominic Agostino (Hamilton East):** I just have a couple of questions, two issues of clarification, for the Minister.

Earlier today you said that the ministry had issued a new certificate for the SWARU incinerator.

**Hon Mr Stockwell:** A what?

**Mr Agostino:** Sorry, approval for the incinerator in Hamilton, the SWARU.

**Hon Mr Stockwell:** Yes.

**Mr Agostino:** You said that a new C of A had been issued. Can you tell us what date that was done?

**Hon Mr Stockwell:** Friday, I think.

**Mr Agostino:** Friday the 11th. The article that broke the story on the emissions was on October 12, so this would have been issued the day before the Spectator article ran?

**Hon Mr Stockwell:** I have no idea.

**Mr Agostino:** Just for the record, the article did run on October 12.

**Hon Mr Stockwell:** Maybe. I never saw the article.

**Mr Agostino:** So the things would have been the day prior.

Just for clarification, you said in Hansard, and I just want to make sure this is accurate, in the House today that standards for 2006 that had been the previous set now have to be met by 2003. Is that correct?



**Hon Mr Stockwell:** The standard is being dropped to 450 by 2003 and they're being shut down in 2006.

**Mr Agostino:** So are the standards that have to be met by 2003 the same standards that were to be met by 2006 under the Canada-wide standards?

**Hon Mr Stockwell:** I think they're 80 by 2006.

**Mr Agostino:** I'm just trying to understand here, just in layman's terms if you can. What you said today was the standards had been set and they were to be met by 2006. Your new certificate of approval means that they must meet these standards by 2003.

**Hon Mr Stockwell:** There were no standards. By 2006, I think the standards were 80. We're forcing them to meet standards in 2003 of 450, which they have no obligation to meet, and close by 2006.

**Mr Agostino:** What happens if they don't meet those standards?

**Hon Mr Stockwell:** They're closed.

**Mr Agostino:** So by January 2003—

**Hon Mr Stockwell:** No I think it's mid-2003—July.

**Mr Agostino:** So you're guaranteeing us that by July 2003, if SWARU does not meet those standards, that incinerator will be shut down?

**Hon Mr Stockwell:** Yes. They'll be in breach of their certificate. They can't operate. Actually, a better way to put it is that they'll be in breach of their certificate and we'll take compliance action.

**Mr Agostino:** Compliance action would include fines, more time to fix the problem—

**Hon Mr Stockwell:** No, no. Compliance action—

**Mr Agostino:** Compliance action would be a shut-down? That's what I'm trying to clarify here, if you can guarantee that if they don't meet these standards, these tough new standards you put in place, by July 2003, then as of August of that year those doors will be locked and that incinerator will not be operating.

**Hon Mr Stockwell:** Let's try and be a little more objective here. If their standard was 450 and they're at 451, there may be some compliance issues that they have to deal with. If the standard is 450 and they are at 1,300, we'll probably move to shut them down.

**Mr Agostino:** So 450 is their standard—again, I'm trying to understand. I'm not a scientist—

**Hon Mr Stockwell:** Nor am I.

**Mr Agostino:** I'm just trying to understand how I can explain this to my constituents. How does the 450 standard compare to what it's at today?

**Hon Mr Stockwell:** Oh, my gosh. In the thousands, 6,000 to 12,000.

**Mr Agostino:** Is 450 considered a safe level? There would be no harm whatsoever to—

**Hon Mr Stockwell:** Absolutely. It says right here that it's safe.

**Mr Agostino:** I'm glad to hear it says that on the note. I simply don't believe—frankly, in my view, the earlier we can shut this thing down, the better, and if we can do it in July 2003 that's great.

**Hon Mr Stockwell:** I agree with that.

**Mr Agostino:** I don't believe the city—the problem with this—

**Hon Mr Stockwell:** You know what? That's one of the things we talked about, actually. There are some economic capital costs that they're going to have to incur, and my thinking is—and this is just my conjecture; I haven't spoken to them; it's right off the top of the coconut—that they may not want to invest that capital money. But don't take it to the bank, obviously. I can't tell you that.

**Mr Agostino:** Of course.

**Hon Mr Stockwell:** You used to be on council, so you'd know better. This was operating when you were on council.

**Mr Agostino:** Yes, and certainly the track record—the opposition to this facility has been clear from day one.

**Hon Mr Stockwell:** How did you not get council to shut it down when you were on council?

**Mr Agostino:** I tried very hard.

**Hon Mr Stockwell:** Just a curious point of interest.

**Mr Agostino:** As much influence as I had—I needed nine votes.

**Hon Mr Stockwell:** You didn't have enough, eh?

**Mr Agostino:** I didn't have the influence you had on city council in Toronto, where you could just snap your fingers and get things done. I had to work a little harder.

*Interjection.*

**Hon Mr Stockwell:** Commissioner Street: you got yours shut down. That was a bang-up job in Toronto.

**Mr Agostino:** That's great.

**The Acting Chair:** Members, can we stop this cross-discussion, please, and the reverse questioning perhaps?

**Hon Mr Stockwell:** We're just kibitzing.

**Mr Agostino:** I'm just enjoying listening to the two opposition parties working together again over there.

**Hon Mr Stockwell:** You know, the truth is, Jim shut it down. He was the minister.

**The Acting Chair:** Mr Agostino has the floor, to members.

**Mr Agostino:** Just for the record, can someone explain to me—if you can't, Minister, I know some of it may be technical from the point of view of the process. As of next July, you look at it and say they haven't complied. What's the first step if that happens?

**Hon Mr Stockwell:** Well, you'd have to do the inspection to determine if they have or have not complied. Then if they haven't complied, I guess we'd look it at it, and like I said, if it's 451 they may say, "Look, we can comply and fix it." If it's not complying, then you'd write an order, right there and then, a compliance order, and frankly, depending on the margin of problem, it would probably dictate the reaction the Ministry of the Environment would take.

Let's understand this. It would be a director's order when they inspect it. A director's order—I don't have control over the directors. The power is taken out of political hands because it's strictly an environmental issue. But the good directors we have I know would use their heads and determine exactly how they should

proceed. But the C of A isn't up for negotiation. It says 450, it should be 450, and if it's not 450 the power is there for the director to force compliance or close it down.

**Mr Agostino:** Just one more question on that before I go on to the next one. If the city came to the ministry in three months and said, "Folks, we can't meet those standards; we can't operate," what timeline would you give them to shut the facility down?

**Hon Mr Stockwell:** They'd have to conform by July 2003.

**Mr Agostino:** But if they tell you in two or three months that they can't do it, that they have to spend—I understand they'd have to spend somewhere in the range of maybe half a million to \$2 million.

**Hon Mr Stockwell:** I would expect July 2003.

**Mr Agostino:** OK. So if they tell you earlier than that, then that would be the date, I would presume, that it would be shut down.

1640

**Hon Mr Stockwell:** If they tell us earlier that they can't conform, they'd still have to July 2003 to hit that target. If they don't hit that target, then they'd shut down. But my thinking would be that if the city decides they don't want to spend the capital dollars, they'd probably begin the process of mothballing it right away. That's my guess.

**Mr Agostino:** OK. Another question is in relation to the incinerator itself, another issue, that is, the issue of the dumping of the fly ash, the material between 1995 and 2000, from SWARU to the landfill site in Glanbrook.

I've asked you a number of times in the House, and you said that your ministry is investigating what went wrong there. I think you acknowledged that there were some errors in the way it was handled. You acknowledged that the investigation—and the police have made it clear that the investigation by the ministry was inadequate. I'm being kind; those aren't the words they used to describe the investigation.

**Hon Mr Stockwell:** Who?

**Mr Agostino:** A police officer in charge of the investigation, a detective.

Can I ask you what timeline you have in getting a report back from your officials in regard to the internal investigation you are carrying out into what happened at this particular time period?

**Hon Mr Stockwell:** Monday.

**Mr Agostino:** Will you release that report publicly?

**Hon Mr Stockwell:** Well, I'm going to read it.

**Mr Agostino:** Once you have read it—you'll get it Monday; I'll give you a day or two to read it—would you release that report? When will you release that report publicly?

**Hon Mr Stockwell:** Let me read it first. There could be some incriminating information, some personal information, all that kind of stuff, so before I'd ever undertake to release something that I've not even received or read, I would like the opportunity to actually read it. It was kind of like in the House today, when we asked for

unanimous consent on that bill and you guys said, "No, we should read the bill before we protect police officers."

**Mr Agostino:** So I'm getting a commitment from you today that, I presume, within a very reasonably short period of time, there will be a report, given to you by the ministry, released.

**Hon Mr Stockwell:** No, you see, that's a difficult situation. Here's the problem—and I know you can talk to your friend next to you with respect to the issues you face. I would expect that this report will include comments about staff, about decisions staff had taken, that would be very, very, very inappropriate to release. I know everyone in this Legislature would agree with me that that would be inappropriate. First of all, if they are unionized staff you'd have a grievance in a heartbeat; you'd probably have issues before the courts and so on and so forth.

So for me to sit here and say categorically, unilaterally, that whenever this report hits my desk, a couple of days later I'll give it to you—I can't do that. It would be irresponsible of me to give you that undertaking.

**Mr Agostino:** I understand the issue of personnel matters, and I totally understand that there's got to be some sense of protection for staff. At least from a public point of view, if there's action to be taken internally, that's a decision the bureaucratic staff would make. But I would think there's a reasonable expectation that within a short period of time, my residents and the residents of Stoney Creek—they were all impacted by these decisions that were made. They need to be given some public assurance that the review has been done, and here are the findings, and here is a summary of the review that has been done—

**Hon Mr Stockwell:** I can do that.

**Mr Agostino:** I think that has to be done.

**Hon Mr Stockwell:** Sure, I can do that. That's what you're asking for?

**Mr Agostino:** No. What I'm asking for—frankly, my first choice would be the release of the report. I think there are ways you can black out names. FOI information does that all the time. I certainly would like us to get that without going through FOI. I'm asking for that commitment. If there are names to be blacked out, I totally understand that; that's acceptable and that's reasonable. Those types of things can be done. I guess what I'm asking for is a commitment to, as soon as possible, release that report.

**Hon Mr Stockwell:** Let me put it to you this way: there are processes in the FOI where the FOI people look at a report and go through it in a very legalistic way. I don't have that ability. Those people are seconded, put in place. If you FOI'd it, they would go through it and there would be no chance for any repercussions to me, the ministry, lawsuits etc. What I will say to you, frankly and honestly, is that I'll get the report and provide you with information about what that report says, and then ultimately you can FOI it, and some few months later you can determine if I told you the truth or not.

**Mr Agostino:** One other question, and maybe someone can answer it. Will the report also indicate the role of



Fine Laboratories and any testing they did with material from the site? Fine Analysis Lab is the company that's charged—

**Hon Mr Stockwell:** Again, it's a legal issue at this point in time. Would we be looking into internally? Of course we would. Can I give you that information? Legally, I don't know. But would that be part of the investigation? Absolutely, without a doubt.

**Mr Agostino:** One other—I'm not sure if it's to you or health.

**Hon Mr Stockwell:** Probably health.

**Mr Agostino:** Would you look at the possibility, in the area of SWARU and Glanbrook, of a joint health-environmental study to look at any health impacts that these decisions may have had on the residents?

**Hon Mr Stockwell:** That's got to be health. There's no way I can even get involved in that.

**The Acting Chair:** You have eight minutes.

**Mr Agostino:** If you want to want to share the report with me, I'll just keep it between you and I, Chris.

**Hon Mr Stockwell:** Oh, that'll happen. Just between you and me: that'll happen for sure.

**Mr Bradley:** Mr O'Toole mentioned Soundsorb. You undertook to give him some information on that. Would you table that for the entire committee? This was some time ago that he asked the question about Soundsorb, if you just check Hansard later. If you would table it for the committee, that would be very nice.

**Hon Mr Stockwell:** Sure.

**Mr Bradley:** I will move on now to Port Colborne. The people of Port Colborne, particularly those who live adjacent to the coal smelter in Port Colborne, have been engaged in active concern and even legal matters for a while with regard to Port Colborne and the effects on their lives, the health effects on them and the environmental effects on their properties. Could you be kind enough to bring me up to date on the situation?

**Hon Mr Stockwell:** To help the rest of the committee, who are not as knowledgeable, I am sure, as you are, in 1997 a report that was done with the Niagara region public health department set a nickel intervention of 9,750 ppms for Port Colborne. In MOE sampling results that could be confirmed up until 2000, this limit was not exceeded. Sampling in the summer of 2000 identified a property with higher levels. MOE did an extensive follow-up sampling program for the Rodney Street area. In the last two years, the MOE and the health department have advised the public of precautionary protection measures through regular public meetings and fact sheets. The health department's 2001 blood lead level survey concluded that blood lead levels—boy, that's a mouthful—from the east side community were low or similar to those across the province. No immediate intervention was required for children under the age of seven and pregnant women.

Inco initially volunteered to clean up properties, but the community refused access to their properties. The MOE completed a human health risk assessment for the Rodney Street community, dated March 2002, peer-

reviewed by international experts. The intervention level for soil nickel is 8,000 ppm. Based on the assessment, the MOE issued an order to Inco in March 2002 to clean up 25 properties and continued sampling north of MOE's sampling area.

To date, Inco has been denied access by 19 property owners to clean up the properties. For the past year and a half, the MOE has been extensively involved in a lengthy \$750-million class action lawsuit certification motion. The result of the motion was that certification was denied. Since 2000, the MOE has been involved in a community-based risk assessment for Port Colborne to determine intervention levels and options for remediation. It will be completed by the end of this year.

**Mr Bradley:** Thank you. I know some of the people are not happy with the order that was issued.

**Hon Mr Stockwell:** Which one?

**Mr Bradley:** There are a few of the people in there, at least a few of the people—

**Hon Mr Stockwell:** No, which order?

**Mr Bradley:** An order that you issued, that your ministry issued. You issued an order, did you not?

**Hon Mr Stockwell:** That order has been appealed. It is before the Environmental Assessment Appeals Tribunal. I can't comment on it, because if it gets appealed again, it comes to me.

**Mr Bradley:** You mentioned PCBs and the way one can destroy PCBs. You made a rather bold declaration that the only way to destroy them was through incineration.

**Hon Mr Stockwell:** I don't think I said that.

**Mr Bradley:** I thought you did.

**Hon Mr Stockwell:** Well, don't look at Churley. She's going to agree with anything you say. She's like bubble dog in the back of a car.

**Mr Bradley:** Let me say, are you aware of Ecologic? I think the president is Dr Douglas Hallett. He came to St Catharines and destroyed PCBs, without any incident or opposition, at the General Motors facility in St Catharines.

**Hon Mr Stockwell:** We're aware of it.

**Mr Bradley:** Is that not an option that can be utilized, that does not involve a huge incineration plant in northern Ontario?

**Hon Mr Stockwell:** I'm aware of it. Just let me get the backup information here. Our information—and you can correct me if I am wrong, but I've had this directly answered—is that the higher level of PCBs need to be incinerated. The ecological approach that you speak about can be done on lower levels, but then you'd be doing two different extraction processes. It wouldn't preclude the necessity of building an incinerator to destroy the higher level of PCBs.

1650

**Mr Bradley:** Are there still PCBs stored in this building?

**Hon Mr Stockwell:** Probably in your office, because everything else is there.

**Mr Bradley:** In the basement of this building?



**Hon Mr Stockwell:** No, I think they were moved.

**Mr Bradley:** They're removed now?

**Hon Mr Stockwell:** Yes.

**Mr Bradley:** They were at a site some time ago that was there.

**Hon Mr Stockwell:** They've been moved.

**Mr Bradley:** There were 17 Great Lakes hot spots which were identified for remediation. Precious little seems to have taken place in these hot spots. There have been some efforts made, particularly in the Hamilton area, by the remedial action plan group there, and in some other areas. Could you tell me the progress on the 17 sites in Ontario, how many have actually been cleaned up and how much money has been expended so far on the 17 sites?

**Hon Mr Stockwell:** I think we're down to 15. One has been taken out and we have another one delisted, so we've gone from 17 to 15. There has been a lot of action on it. I would have to take great exception to your comments with respect to not much going on.

The government has provided \$5 million to assist with the Great Lakes Renewal Foundation. We contributed \$1 million toward the cleanup of Hamilton harbour's Randal's Reef. We provided \$1.5 million toward the cleanup of Thunder Bay harbour's Northern Woods Preservers site. We contributed approximately \$23 million to the restoration of the Severn Sound area of concern. We provided \$200 million, under the provincial water protection fund, to address immediate environmental health problems. Some of the funding supported projects in the Great Lakes municipalities.

So as you can see, we've been operating full speed ahead with respect to the hot spots.

**Mr Bradley:** I would characterize it, in the kindest way, as modest progress.

**Hon Mr Stockwell:** You see, that's what happens when you and I talk.

**Mr Bradley:** I could say it's worse than that, but I'll characterize that as modest progress.

**Hon Mr Stockwell:** I'll take that as a compliment then.

**Mr Bradley:** The last thing I want you to comment on, as a person within cabinet: an environment minister has special responsibilities. I've had a resolution passed in the Legislature calling for an agricultural preserve in the Niagara Peninsula. As Minister of the Environment and the person whose job it is to protect the environment, are you in favour of that, and has your ministry internally indicated its support for it?

**Hon Mr Stockwell:** When did you put this?

**Mr Bradley:** This was not long ago. It was the last session of the Legislature.

**Hon Mr Stockwell:** That's right; it wasn't long ago. So we're still investigating it.

**Mr Bradley:** So you have not made any progress? I'm disappointed.

**Hon Mr Stockwell:** It's not progress so much; it's that we haven't come to a conclusion about where it sits. I can honestly say to you that I don't know if the Minister

of Agriculture is bringing that issue to the cabinet table. I can't say that we've ever come to a decision on that. I look back, and there doesn't seem to be anybody giving me affirmation, so all I can tell you is that it's probably something you should take up with the Minister of Agriculture.

**Mr Bradley:** Bad news. I thought your clout in government would have brought—

**Hon Mr Stockwell:** Oh, my clout is tremendously overestimated.

**The Acting Chair:** Thank you. Ms Churley.

**Ms Churley:** Thank you. We'll start off with the minister again. I'm going to come back to water taking, and I know there has been one-upmanship going on around that. But I want to, in all due seriousness, tell you that you're going to be receiving more and more calls for moratoriums on issuing water-taking certificates until—not forever—you've actually implemented a watershed planning regime in this province. OK, I admit that perhaps I went too far to say that there should be no testing whatsoever under any circumstances. But in all seriousness, this is becoming a bigger and bigger problem across the province.

The example I used yesterday, and there'll be more coming because I am hearing about them, is Mono's water. Let me tell you what part of the problem is. For instance in Mono, although right now—you're perfectly right, and I clarified this yesterday: it's a test. It's still 3.9 million litres. But the company that's applied, that wants to take the 2.6 billion litres a day, has already been incorporated, they've constructed their building, the commercial driveway has been installed, a hydrogeology study has been done, a large, worldwide engineering firm has been hired, and on and on and on. They've set up a structure so that, you're quite right, if after the testing they don't get their permit, they are going to lose financially.

**Hon Mr Stockwell:** And so they should.

**Ms Churley:** But that's happening more and more.

**Hon Mr Stockwell:** Hold it. So they should. I'm with you on that one. If they've made all these investments without having the testing done, and they don't have a water-taking permit and they end up going bankrupt, well, then so they should. They shouldn't be making any presumptions about the Ministry of the Environment and what decisions we'll be taking.

**Ms Churley:** I'm glad we agree on that, because that's an emerging problem. Yes, I've been in government and I do understand the difficulties and the differences between government and opposition, and sometimes implementing these things is very difficult. Once the company has spent millions of dollars, it's very difficult, unless you have overwhelming proof—it's a problem not to issue the licence. I think it's fair to express that concern and say that until there is a watershed plan in the province, that's going to be an ongoing problem.

**Hon Mr Stockwell:** Marilyn, let me say this. From the point you made earlier right now, you're singing to

the choir. I'm not disagreeing with you one bit. If somebody is going in and making huge capital investments based upon the fact they think they'll get a water-taking permit, they're fools.

**Ms Churley:** That's good. You're a fairly new Minister of the Environment. I've been following the deregulation and cuts and things to your ministry since 1995. This is the reality—and this is no comment on the dedicated staff who are here, who are working very hard. But I've watched the government weaken regulatory standards, reduce reporting requirements and remove public accountability. I've watched changes being made to the Environmental Protection Act, the Ontario Water Resources Act, the Mining Act, the Public Lands Act, the Planning Act and the Conservation Authorities Act, or regulation changes, that really have lessened the oversight of water management. And it has made it—I've watched it happen—easier for individuals or companies to exploit our water resources for economic gain. That's the reality, and I've been watching it happen.

I just wanted to put that on the record. That's my concern about our present regime and what's happening with water taking. I think there should be a moratorium on water taking until that groundwater protection strategy is in place.

I want to end my questioning on that subject of groundwater protection, which is something that I know we agree on, and, Minister, you have said you're going to be bringing forward source protection. I just have a couple of questions on that.

What funding—I know you have the information; I probably have it too—have you provided to the conservation authorities that is dedicated to the implementation of the source protection watershed planning initiative, and what exactly are they doing with that money?

**Hon Mr Stockwell:** Nineteen million.

**Ms Churley:** And when were they given that money?

**Hon Mr Stockwell:** Since 1998.

**Ms Churley:** So that's money they were given in 1998, right?

**Hon Mr Stockwell:** It's \$4.3 million, \$10 million, and this year it's \$5 million.

**Ms Churley:** And what exactly are they doing with that money?

**Hon Mr Stockwell:** They're doing their watershed studies, their planning, their examinations into the watershed; some source protection, but more watershed planning.

**Ms Churley:** If they were given the \$19 million—

**Hon Mr Stockwell:** Apparently I'm wrong. Hang on. Protection and watershed management, yes. Wellhead protection.

**Ms Churley:** Thank you very much. I perhaps can get more details on that later. I know you have those details.

**Hon Mr Stockwell:** I think it was included in your FOI.

**Ms Churley:** Yes, there I can get those details. They got the \$19 million. They got \$5 million for 2001 through 2002, is that correct?

**Hon Mr Stockwell:** This year, five.

**Ms Churley:** Is that a note that might help?

**Hon Mr Stockwell:** No. Yes, \$4.3 million for 2000, \$10 million in 2002 and \$5 million additional funding in 2002-03, to complete wellhead protection mapping and all groundwater-reliant communities and to identify sensitive groundwater areas across all of southern Ontario. That brings the total of government investment in local groundwater source protection to \$19.3 million.

1700

**Ms Churley:** Is there any thought of putting more money into that now that—

**Hon Mr Stockwell:** There's always thought of putting more money into all kinds of government programs. This would be one. If there was more money available—I'm convinced that the Premier is thoroughly and completely on side with the O'Connor report; if there was any money left over I'm sure he would put it into this.

**Ms Churley:** Can you tell me what other initiatives are happening around developing this bill?

**Hon Mr Stockwell:** Sure. I guess the situation is that in developing the groundwater protection bill, you have to buy in—not buy in, but hear from. I don't want to say buy in because we're all bought in. But you have to hear from—

**Ms Churley:** Planning, natural resources—

**Hon Mr Stockwell:** —natural resources, agriculture, environment, the conservation authorities—

**Ms Churley:** The Planning Act, plan use—

**Hon Mr Stockwell:** Exactly—and municipal affairs. The difficulty is, as you would know as a minister, I often hear, "You can make this happen on the stroke of a pen." Well, nothing happens on the stroke of a pen. Frankly, why we're moving the way we're moving—and believe it, we're moving quickly—in hopes to get this out the door is that as we get these parties together, we will move forward to have a groundwater strategy plan.

I can say that I personally insisted on putting together a water committee in the Ministry of the Environment that was strictly dedicated to solving these kinds of—source to tap, Bill 175, groundwater source protection, nutrient management. Frankly, they've done a bang-up job, all these ministries; it has allowed us to have a local clearinghouse for these kinds of ideas. If we hadn't done that, I don't think we'd be as far down the road as we are today.

**Ms Churley:** In fact, the former Minister of the Environment, Mr Clement, said he was working on it in 1999 and nothing happened. But I have complete faith that it will come forward. Can you confirm when you will be bringing first reading of the bill?

**Hon Mr Stockwell:** Sure.

**Ms Churley:** Do you know at this point?

**Hon Mr Stockwell:** No. But I'll confirm it to you when I can.

**Ms Churley:** But you can't today; you don't know at this point.

**Hon Mr Stockwell:** You mean in the spring?

**Ms Churley:** It's a genuine question. You expect to be bringing it forward in the spring?

**Hon Mr Stockwell:** I'd say the spring.

**Ms Churley:** That's the goal.

**Hon Mr Stockwell:** You know, I always hate saying that, though, because the minute you don't bring it in the spring: "What's the delay?"

**Ms Churley:** Of course.

**Hon Mr Stockwell:** All I can tell you is that it's like safe drinking water: "We're going to bring it in the fall." Well, the minute the fall session opened: "Where is the safe drinking water act?"

**Ms Churley:** Where is it anyway?

**Hon Mr Stockwell:** Exactly the point.

The fall session is a long session. Spring is a long session. We're geared for the spring. And you will see the safe drinking water act in the fall. We've still got six, seven, eight weeks of House time left.

**Ms Churley:** OK, sometime this fall.

**Hon Mr Stockwell:** No, sometime in the spring.

**Ms Churley:** You said fall.

**Hon Mr Stockwell:** Fall for the safe drinking water act, spring for source protection.

**Ms Churley:** OK. Are you committed to public hearings on the safe drinking water act across the province?

**Hon Mr Stockwell:** I am totally committed to public hearings. I have been committed to public hearings all my life.

**Ms Churley:** That's what I thought; I just wanted to confirm it.

I just wanted to ask you, how many surface water quality monitoring stations are there actively taking samples today?

**Hon Mr Stockwell:** My guess would be 240, but let me check. It's 350.

**Ms Churley:** So 350. There used to be 750. So you have brought it up. It was down to—

**Hon Mr Stockwell:** The old 240.

**Ms Churley:** Yes, 240. What I'd like to know is, who does the testing after the samples are taken out of these 350 stations?

**Hon Mr Stockwell:** Our lab does.

**Ms Churley:** The environment lab.

**Hon Mr Stockwell:** Yes, we do.

**Ms Churley:** How do you store and analyze that information?

**Hon Mr Stockwell:** How do we store and analyze?

**Ms Churley:** Yes. You've got 350 stations across the province with sampling. How do you deal with the volume?

**Hon Mr Stockwell:** It's an internal database that we put together that analyzes and produces the reports. I don't think we're finding it that difficult, are we? No.

**Ms Churley:** Are you planning on opening more of those monitoring stations?

**Hon Mr Stockwell:** Yes, but I think we should be strategic in opening them. I think what we agreed to—in Justice O'Connor's report, he talked about that. We're not opposed, but rather than just haphazardly slapping them up, we should strategically place them. I don't know if 350 is the right number. I think it may still be a little low. But I don't think 750 is the right number either. I think it's somewhere between there. Strategically placed, you can maybe operate with 500 or 450 or something along those lines. Ultimately, it's going to depend greatly on the watershed management plan that they bring me, saying, "Here's the plan. Here's where you should locate these, and the number is 426," or whatever that number may be.

**Ms Churley:** The reason I ask is because the Environmental Commissioner specifically referred to it. He had the numbers "from 730 stations in 1995 to 240 by 2000." He expressed real concern about the reduction. He mentions that "Only six of these are located across ... northern Ontario. The remainder represent less than six stations per major watershed in southern Ontario. The dismantling of the network seems clearly inconsistent with MOEE's 2001/02 business plan."

He goes on to say—and that's why I asked that specific question, what happens after the test sampling is brought in?—that "No consolidation or interpretative reports are produced from the acquired data, and this severely limits the usefulness of the data to environmental decision-making and to the public." That's why I asked those questions.

**Hon Mr Stockwell:** I know why you asked the question.

**Ms Churley:** Is he wrong on that?

**Hon Mr Stockwell:** I don't know why he thinks he knows. That's the concern I have with the Environmental Commissioner. I don't know why he thinks he knows what the number is. He hasn't got a watershed management plan either. Until you have the watershed management plan, nobody knows. I'm not saying he's wrong, but I'm also not saying he's right.

**Ms Churley:** I'm asking you now specifically—back to the question—he says, "No consolidation or interpretative reports are produced from the acquired data."

**Hon Mr Stockwell:** OK. With respect to consolidation, I think we do have consolidated reports—

**Ms Churley:** So he's wrong on that.

**Hon Mr Stockwell:** No, let me finish. We don't have interpretative reports. I think we're going to work toward reaching the goal that we'll have consolidated and interpretative reports.

**Ms Churley:** He did point that out. I don't know how right or wrong he is or you are, but it's pretty—

**Hon Mr Stockwell:** I'm not claiming to be right. All I'm saying is, I don't know how anyone can be right without the watershed management plan. It's all throwing darts at a board, in my opinion, whether it's the Environmental Commissioner, me or you.

**Ms Churley:** But you would agree that this is a pretty serious problem, that we're getting this sampling done



but we don't have the consolidation or interpretative reports.

**Hon Mr Stockwell:** You know what I agree the serious problem is? That you had 700 and whatever number with no watershed management plan 10 years ago. Those 700-odd that you'd placed around this province could have been a colossal waste of time.

**Ms Churley:** I don't think so, but—

**Hon Mr Stockwell:** Let me finish. You could have had parts of this province without a watershed management plan that should have had more sites and didn't.

The point I'm trying to make is that the whole number isn't important. What is important is that you have the watershed management plan and you place them where they're suppose to go. You could have had 1,200 five, 10, 20 years ago, and if you missed the wrong place out of your 1,200, it was no better than the 250 that are out there today.

**Ms Churley:** I know you like to point out that our government didn't bring in a watershed plan—

**Hon Mr Stockwell:** I wasn't talking about your government.

**Ms Churley:** —and you're quite right, we didn't. We brought in an Environmental Bill of Rights and some other progressive environmental things. We moved forward.

**Hon Mr Stockwell:** That you didn't apply to yourself, I might add.

**Ms Churley:** There are certain things we didn't do which we should have, but we began a process.

**Hon Mr Stockwell:** You brought in an Environmental Bill of Rights that you didn't apply to the government, which was you.

**Ms Churley:** What?

**Hon Mr Stockwell:** Your Environmental Bill of Rights.

**Ms Churley:** What are you talking about?

**Hon Mr Stockwell:** You were not subject to the Environmental Bill of Rights.

**Ms Churley:** Of course we are. Every ministry is.

**Hon Mr Stockwell:** No, when you originally brought it out in the first draft, you weren't subject in that particular piece of legislation.

**Ms Churley:** But that wasn't the final bill.

**Hon Mr Stockwell:** Because we forced you to change it.

**Ms Churley:** Oh, Chris, what can I say? The final bill is one of the few pieces of progressive legislation brought in by New Democrats, Liberals before us and Conservatives before us that was saved under your government. So be careful where you go on that. It's a very progressive—

**Hon Mr Stockwell:** Thank God for the opposition. That's all I have to say.

**Ms Churley:** I say that too: thank God for the opposition. We agree on that.

But coming back to source protection and water protection, I applaud and support you for the initiative on the centre for excellence in Walkerton. That's something that you know I have asked questions on. To be fair to

everybody, your government was there from the first. I may have some quibbling with some of the ways it has been done, but I think that was a very good move.

**Hon Mr Stockwell:** Thank you very much.

**Ms Churley:** I'm just asking, when will that project be up and running? And have you decided yet exactly what it will do?

**Hon Mr Stockwell:** Right now, we're waiting for a report from the community and those in the community. It's being worked on as we speak. I think we're supposed to have an interim report sometime in late October. I would hope the final report will come back before the year is out that will give us the broad overview of what the plan will look like. We'll share that plan with the people. I think we have full and complete support from the local community. I think you're going to see a fairly comprehensive outline by the end of the year or very early the next year.

**Ms Churley:** So by the end of the year.

**Hon Mr Stockwell:** Or very early next year.

**Ms Churley:** Of course we expect an election in the spring.

**Hon Mr Stockwell:** That's just circumstance.

1710

**Ms Churley:** I forgot to ask you what charges have been laid against drinking water providers or systems and drinking water testing labs since May 2000?

**Hon Mr Stockwell:** Charges that have been laid against labs?

**Ms Churley:** Drinking water providers or systems and drinking water testing labs.

**Hon Mr Stockwell:** Give me one second. Do you want the whole numbers?

**Ms Churley:** If you have them. I'll take what you've got.

**Hon Mr Stockwell:** I'm sure I do.

**Ms Churley:** How much time have I got?

**The Acting Chair:** You have about two and a half minutes.

**Hon Mr Stockwell:** Go on to another question, and I will give you that before the time's out.

**Ms Churley:** I wanted to ask you about ITER. You know what ITER is?

**Hon Mr Stockwell:** Yes.

Hold it, I've got them for you. You wanted to know how many charges have been laid?

**Ms Churley:** Yes.

**Hon Mr Stockwell:** Twelve charges in 2000-01, 32 charges in 2001-02 and we're not through 2002-03 yet, so I can't give you the number.

**Ms Churley:** Is there a breakdown?

**Hon Mr Stockwell:** What the charges are for?

**Ms Churley:** I asked specifically about drinking water providers or systems and drinking water labs. This is total charges, is it?

**Hon Mr Stockwell:** Yes. These are municipal water treatment plants inspected annually. This is what you asked for. These are just municipal treatment plants: 32 charges in 2001-02 and 12 charges in 2000-01.

**Ms Churley:** OK. I just wanted, in the last minute, to ask you about ITER. It's the big experimental nuclear fusion—

**Hon Mr Stockwell:** Yes, I know what it is.

**Ms Churley:** OK. My questions are, how much has the government paid toward the bid of this project? Would you know that, or would that come under another ministry?

**Interjection:** \$300 million.

**Ms Churley:** How much will the cleanup of the site be afterwards?

**Hon Mr Stockwell:** It's through MEOI ministry that you'll have to get those numbers.

**Ms Churley:** OK. So you wouldn't know as well about the assessment of the cleanup after the fact?

**Hon Mr Stockwell:** Not a chance.

**Ms Churley:** OK. Thank you.

**The Acting Chair:** That pretty well wraps up your time, Ms Churley. Mr O'Toole.

**Hon Mr Stockwell:** If they give up their time now, does that mean I can go?

**Mr O'Toole:** Yes, but that would mean we'd have to agree with you. We'll just amble along here.

**Ms Churley:** Or would I get to take it?

**Hon Mr Stockwell:** No, you can't take it. The standing orders say you can't take their time.

**The Acting Chair:** If you need to get out of here early, they can ask for that 20 minutes when they come back, or it gets divided between the—

**Hon Mr Stockwell:** No, it doesn't. That's not the standing order. I don't want to make an argument, but the standing order strictly says they can use their time, and if they choose not to use it, it falls off the table. It doesn't get redivided.

**Mr O'Toole:** That's what they do; they redivide it. That's what they did before.

**Hon Mr Stockwell:** That's wrong.

**The Acting Chair:** Mr O'Toole has a question.

**Mr Miller:** It is very important.

**Mr O'Toole:** Yes, I have a very important question.

**Hon Mr Stockwell:** Yes, but say he doesn't use the whole time. Could I ask for a clarification on that ruling? I think the ruling is wrong.

**Mr O'Toole:** That's what they did in previous ministries that have been examined. It's been divided.

**Hon Mr Stockwell:** If they do, it's wrong. It's against the standing order.

**Mr O'Toole:** While we're dealing with the administrative issues, I have some—actually there are two parts to this. Defining the safe drinking water regulations is difficult, because any challenge to it sounds negative. Who in their right mind wouldn't want safe drinking water? So I start with being in agreement with the objective. But the mechanisms for compliance are where I have the serious problem.

I know the current issue is the reporting mechanism, which I mentioned earlier, and the audits, both random and predictable, of the water treatment plants are an issue. But if I look more specifically, one of the appli-

cations is community wells, which I have brought to your attention before, specifically the one in my riding, where there are a number of homes on a couple of community wells. I've met with the constituents, and basically they have never had a negative test. They have had regular tests done in co-operation with Durham public works, but it's going to cost each homeowner \$8,000, and exactly for what? That's not really the question; I'm leading to a question.

I understand Bill 175 talks about the whole full-cost-recovery issue. I've been sort of recommending they actually buy shares in a bottled water company or something, because this isn't the end of this saga. The reason I say that—is water affordable and safe? That needs to come into the equation. If I look even further at some of the stuff we're looking at, these groundwater studies that Ms Churley mentioned, we've spent millions. Even when I was on council, I believe the NDP had a plan for mapping groundwater and all that kind of stuff.

**Ms Churley:** We did, thank you.

**Mr O'Toole:** They didn't do anything. They spent about \$20 million and they got a bunch of maps, which may not fit our framework as we go forward. I'm wondering what the plan is technically. But it's not just that; it's the whole issue of source protection that we're looking at. Somebody's got to define what that source protection is.

Every farmer, every person with a well, every person with groundwater under any piece of land and what goes on—it's almost a convoluted argument. If I spend \$8,000 to get water coming out of the well in compliance with some regulation and somebody comes along and says, "By the way, the aquifer has been contaminated by some process further upstream, so your well is really not in compliance," it's frustrating. It's sort of an open-ended problem.

What is the goal here? If it tests clear, and we're going to spend multiple millions of dollars more finding out a "framework mechanism"—I love those words; more bureaucracy than substance—what is going to be the cost of water? Is it going to be affordable? If you implement full cost recovery, it's going to be the electricity bill all over again. Who can say how many inspections are appropriate? Is it source protected? Who has done the groundwater study? If it was the conservation authority that did it prior to our regulation regime, then it's not in compliance. I'm sort of wondering—

**Hon Mr Stockwell:** Is this stream of consciousness?

**Mr O'Toole:** It's a stream of consciousness kind of creative thing that's going on, similar to what you often do, but you have the credibility of being a minister.

**Hon Mr Stockwell:** If you make any sense.

**Mr O'Toole:** Well, that's to suggest that yours was. Most of it was, "I don't know for now. We'll get back to you on that."

I'm not trying to be smart, Chris. I really am concerned about what the end goal is for having safe drinking water and what is the cost of compliance? Do you have any idea here?

**Hon Mr Stockwell:** That's a very good question. Obviously the goal is safe drinking water. The question that needs to be asked is, how much? I've heard these comments not just from you but from opposition members as well, particularly opposition members who represent smaller communities around this province. I look to my friend Mr Miller. He's got a lot of small communities.

**Mr O'Toole:** Campgrounds.

**Hon Mr Stockwell:** Campgrounds, private operators, trailer parks—good examples. The question is—and we, as a government, have to grapple with it, and to some degree the opposition has to grapple with it. The question needs to be put, and I put it today: if you've tested your water for 20 years and never had one issue with respect to chemical contamination through pesticides, and a pesticide test is \$4,400 a month, is it necessary to put a private operator through a pesticide test at \$4,400 every month and drive a business out of business? You've got to ask yourself that question. And the question posed in a rather circumlocutory way, I will add, by Mr O'Toole is the bull's eye: is it necessary to force an operator to focus on a \$4,400-a-month pesticide test when in 20 years they haven't seen one chemical in their tests? I guess my response is I don't think so.

But do you need to have E coli testing? Of course you do. It happens to be a lot less money. Maybe you need a pesticide test once a year. And maybe if your once a year pesticide test comes back and it's bad, then you've got to start testing on a monthly basis.

But you're driving home a point I've heard from a lot of rural and small-town members. You don't get it from the big urban cities like St Catharines or Toronto that have a long history of total cost recovery in their water. I come from Etobicoke. I sat on Etobicoke council for eight years. We always had cost recovery in water. We had sinking funds, we had source protection, we had all the revenue set aside. We never even used that water revenue for anything else except water, and there were huge surpluses.

1720

Those are not the people I think we're trying to protect with this legislation. Although it could happen, I'd be hard-pressed to believe one day that Toronto wouldn't be doing proper things with their water and provide clean water to the constituents. So, Mr O'Toole, you've asked the \$64-billion question.

**Mr O'Toole:** That's about the price.

**Hon Mr Stockwell:** I guess the question stands. I don't think it's a political issue at this point in time. It becomes a practical issue and it's necessary that we all sit down, every party, and say, "OK, how can we practically implement a safe drinking water strategy that has capital costs that are affordable that protect the people's water?" Right now we've maybe gone over the edge and we have to kind of—it's an old saying, I know; I heard it in the House: "It's a lot easier to go over Niagara Falls than it is to climb back up." We have to kind of climb back up Niagara Falls a little way, with the co-operation of the opposition parties, because I hear from those members—

less from the NDP because there are fewer rural members; more so from the Liberals—that we have to do something to fix this because it's too draconian. I'm coming to the conclusion, and I think my caucus and cabinet colleagues are coming to the conclusion, that that might be true.

**Mr O'Toole:** It's motherhood, sort of. Who wouldn't want to come down on the side of absolute public safety? That being said, is there any mechanism going forward to reconsider or to have an ongoing review of the prohibitive nature of—

**Hon Mr Stockwell:** Yes.

**Mr O'Toole:** Because I'm dealing with one right now where they're actually being forced to comply—on Fralick's Beach, \$8,000 per household—and they're saying to me, "Gee—"

**Hon Mr Stockwell:** Yes, we have to look at that, we have to examine it.

I will say this about Justice O'Connor's report: I agree that Mr Justice O'Connor did a great job.

**Mr O'Toole:** A terrific job.

**Hon Mr Stockwell:** He did a fantastic job.

**Mr O'Toole:** A great reference work.

**Hon Mr Stockwell:** I like his recommendations, but I will say he made one mistake: he totally underestimated the costs. I think you'd have to agree and I think the Liberals would have to agree: he completely underestimated the financial implications to municipal and provincial levels of government.

**Mr Bradley:** Sounds like the hospital restructuring commission.

**Hon Mr Stockwell:** I want to get on the record that the member for St Catharines chimed in that he agreed. So we have to examine those costs and review them.

**Mr O'Toole:** Mr Miller has a question, I think.

**The Acting Chair:** Do you want to continue on, or do you want an answer to this right now?

**Mr O'Toole:** Let's do this.

**The Acting Chair:** OK, Mr Miller; the floor is yours.

**Mr Miller:** I'm happy to hear the minister's perspective on drinking water for rural areas and small operations. I've had many constituents concerned about trying to comply with some of the existing rules, like regulation 459, small campgrounds, very small operations we're talking about, that have three wells and that basically will be forced out of business with some of the current rules, even. So I think we have to have goal-oriented rules—that the goal is to have clean water at the end versus having rules that are overly prescriptive.

**Hon Mr Stockwell:** I agree.

**Mr Miller:** I have a question to do with technology and septic systems. Of course, in my riding of Parry Sound-Muskoka there are many lakes and—

**Hon Mr Stockwell:** I'm in your riding and I'm on a septic system.

**Mr Miller:** That's right, so you would be concerned about this. Phosphorous reduction technology in new septic systems: does the ministry have a process whereby they approve new technologies which will be more



beneficial for the lakes in my riding and allow people to build cottages as well?

**Hon Mr Stockwell:** We set the standards that you live by, right? And we force you to live to those standards. We don't tell you how to meet the standards, and if you want to meet the standards through technology and we do our testing and you meet those standards, our position is, well, you met the standards. As long as it's environmentally sound and sensitive and you're not doing something illegal, I guess our position is, "Congratulations."

Do we actually go out and endorse a process to meet? No, we don't do that. We have concepts and ideas and we'll give you advice, but we're not going to tell you how to meet the standards specifically. If we tell you to do this to meet the standard and it doesn't meet the standard, then you're really mad at us.

**Mr Miller:** So when a new technology comes along—I understand there are systems in the States that reduce phosphorous—and therefore would allow development on some lakes that with current systems might not otherwise be allowed—

**Hon Mr Stockwell:** Would we encourage or examine those? Yes, we would.

**Mr Miller:** OK; very good.

Nutrient management: I was meeting with the Nipissing and Parry Sound agricultural—

**Hon Mr Stockwell:** On Friday I'm looking forward to the public hearing in North Bay on nutrient management. I had one in Kemptonville last week. It was a bang-up meeting; I really enjoyed it.

**Mr Miller:** And you're in the middle of the regulations, forming the regulations.

**Hon Mr Stockwell:** Right. We have two regulations drafted. We're consulting on them. We're following that up with a series of regulations worked on by the Ministry of Agriculture and the Ministry of the Environment in co-operation. Frankly, they're working famously together.

**Mr Miller:** Good. There was concern expressed in the northern part of my riding. Most of the farms are pretty

small there; their gross revenue is \$20,000 to \$30,000. So it's different for a small operation like that trying to comply with the new rules versus a larger industrial or agricultural—

**Hon Mr Stockwell:** Similar to eastern Ontario. They have very low grosses out there too, probably in the low 30s to mid-30s. A lot of the deputations that came forward said that some of them may be too restrictive, too expensive for a low-grossing farm. You'd probably be in the same boat in your riding as well. I'm sure I'm going to hear a lot about that.

**Mr Miller:** Yes, I think for most of the farms their gross revenue is \$20,000 to \$30,000. So they're fairly small.

**Hon Mr Stockwell:** It's southwestern Ontario where the big grosses are.

**Mr Miller:** OK.

**Hon Mr Stockwell:** Mr Chair, is that fair if they don't use the rest of their time?

**The Acting Chair:** My understanding from the clerks is that if there's consent of the committee right now, we can adjourn. The seven minutes left are allocated to the government at the next sitting of the estimates committee.

**Hon Mr Stockwell:** Do you mind, guys? I've got to go—

**Mr Mazzilli:** I could do better than that. If I could get unanimous consent to waive our seven minutes and ask—

**Mr Bradley:** I thought you wanted to give me your seven minutes.

**Mr Mazzilli:** No, the minister's obviously in a bind and I'm asking the committee to waive our seven minutes and adjourn, with consent.

**The Acting Chair:** Then we'll adjourn and everybody splits the time equally when we resume—not that seven minutes, but we start all over again, fresh.

Any further business? Adjourned.

*The committee adjourned at 1727.*

# CONTENTS

Wednesday 16 October 2002

<b>Ministry of the Environment .....</b>	<b>E-199</b>
Mr Chris Stockwell, Minister of the Environment	

## STANDING COMMITTEE ON ESTIMATES

### **Chair / Président**

Mr Gerard Kennedy (Parkdale-High Park L)

### **Vice-Chair / Vice-Président**

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gilles Bisson (Timmins-James Bay / Timmins-Baie James ND)

Mr Ted Chudleigh (Halton PC)

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gerard Kennedy (Parkdale-High Park L)

Mr Frank Mazzilli (London-Fanshawe PC)

Mr Norm Miller (Parry Sound-Muskoka PC)

Mr John O'Toole (Durham PC)

Mr Steve Peters (Elgin-Middlesex-London L)

### **Substitutions / Membres remplaçants**

Mr James J. Bradley (St Catharines L)

Ms Marilyn Churley (Toronto-Danforth ND)

### **Also taking part / Autres participants et participantes**

Mr Dominic Agostino (Hamilton East / -Est L)

Mrs Leona Dombrowsky (Hastings-Frontenac-Lennox and Addington L)

Mr David Ramsay (Timiskaming-Cochrane L)

### **Clerk / Greffier**

Mr Trevor Day

### **Staff / Personnel**

Ms Anne Marzalik,

Research and Information Services

CA20N  
XC86  
-E77



E-10

E-10

ISSN 1181-6465

## Legislative Assembly of Ontario

Third Session, 37<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Troisième session, 37<sup>e</sup> législature

# Official Report of Debates (Hansard)

Tuesday 22 October 2002

# Journal des débats (Hansard)

Mardi 22 octobre 2002

## Standing committee on estimates

Ministry of the Environment

Office of the Premier

## Comité permanent des budgets des dépenses

Ministère de l'Environnement

Cabinet du premier ministre



Chair: Gerard Kennedy  
Clerk: Trevor Day

Président : Gerard Kennedy  
Greffier : Trevor Day



### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Copies of Hansard**

Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

### **Exemplaires du Journal**

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.



## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Tuesday 22 October 2002

Mardi 22 octobre 2002

*The committee met at 1531 in room 228.*

## MINISTRY OF THE ENVIRONMENT

**The Chair (Mr Gerard Kennedy):** I call the meeting to order. Welcome, everyone. We have approximately 41 minutes remaining for the estimates of the Ministry of the Environment and Energy, although obviously we're in the portion of the Ministry of the Environment. The time will be divided up equally among the three parties, for approximately 14 minutes apiece. We now commence with Mr Curling, on behalf of the official opposition.

**Mr Alvin Curling (Scarborough-Rouge River):** I just want to say that my colleague Mr Bradley would have loved to ask all of these questions, but by circumstances beyond his control, he's not here today. It's good to see the minister, and it's good to see that he has a very bright deputy with him. I'm confident that the questions I will ask will be responded to in a manner that my colleague Mr Bradley would have liked.

I want to ask just a few questions, Mr Minister, regarding the equipment being used in Drive Clean testing facilities. I think last week, when Mr Bradley asked you if all the equipment currently used in the province of Ontario's Drive Clean program, including the dynamometers, was BAR-certified, I think you answered, yes, or equivalent. Could you provide me with the standards for the equivalent equipment that is now in use in Ontario?

**Hon Chris Stockwell (Minister of the Environment, Government House Leader):** I could, but it's very technical; it's long. I'll be happy to provide that to you in writing after the meeting. I'm sure you don't want me to take 14 minutes walking through a bunch of technical terms and conditions.

**Mr Curling:** If you can provide it, fine. If it's going to take 14 minutes do that, I'd rather you table it.

**Hon Mr Stockwell:** I'll table it. By just making a point, the equivalency is BAR or equivalent. You will see from the tables that we provide you with that they meet the same terms and conditions that are BAR.

**Mr Curling:** Good. Let me ask a specific question. Are there any dynamometers currently being used in the Ontario Drive Clean program that are not BAR-certified?

**Hon Mr Stockwell:** Or equivalent?

**Mr Curling:** Yes.

**Hon Mr Stockwell:** No.

**Mr Curling:** There are none?

**Ms Jan Rush:** No.

**Mr Curling:** When your ministry was determining the certification requirements for emission-testing equipment for Drive Clean, Ontario companies wishing to compete in the market were told that the only way in which they could sell equipment to testing facilities was if their equipment was BAR-certified, specifically the dynamometers. Because of this, all of the equipment sales, I understand, went to American-based companies. These Ontario-based companies were not offered the equivalency and in turn lost millions of dollars as the result of that. Why was the equipment equivalency not offered to them? As you said, it's the same.

**Hon Mr Stockwell:** You're going back some time, and as you can remember, there was a bit of a brouhaha at the time with respect to the BAR equipment. I think the compromise was by adding equivalent, and therefore, it broadened the base and opened up the opportunities for Canadian companies.

**Mr Curling:** The fact is, you had said earlier on that the equivalency was the same as the BAR, and none of them were exempted. But here—

**Hon Mr Stockwell:** I think the original legislation and regulations specifically itemized one company, one company's—

*Interjection.*

**Hon Mr Stockwell:** Oh, I see. We set up the appointments of the BAR for one company and they didn't show up. That was the problem at that point.

**Mr Curling:** So you're just aware of one company?

**Hon Mr Stockwell:** And they didn't show up on many occasions, not just the one time.

**Mr Curling:** There was only one company that actually lost out on that opportunity, you're saying.

**Hon Mr Stockwell:** As far as I know, one company. Just one that we're aware of.

**Mr Curling:** Just one company.

**Hon Mr Stockwell:** One company.

**Mr Curling:** Well, I got the impression from my colleague that there were many companies that lost out on that.

**Hon Mr Stockwell:** If you have information to that effect, if you could provide it to me, I'll be happy to look into it. My information is, one company and one company only.

**Mr Curling:** I'll pass the information on to my colleague because he was concerned that there was more

than one. But if there are more, we'll let you know about that.

**Hon Mr Stockwell:** Thank you.

**Mr Curling:** I know my colleague the Chair actually wanted to ask some questions to you too. If he's prepared now, I could then get into the chair and play another role. He could complete the 14 minutes.

**Hon Mr Stockwell:** Sure.

**Mr Gerard Kennedy (Parkdale-High Park):** Minister, I think you know that one ongoing dialogue with your office has been about Wendigo Creek in High Park.

**Hon Mr Stockwell:** Yes.

**Mr Kennedy:** After representations we made to you and to your office, some testing has been done there. I want to ask you about that and about the general issue.

In essence, we've got a property nearby that was the site of a gas station—two different gas stations, in fact—for approximately 50 years. It has had some testing done but no testing by the proponent, so we've been working with data on the site that's eight and 10 years old, until very recently.

What I want to ask you is, are you in a position today to assure the residents and users of High Park that there is no contamination coming from the suspect property, which I can identify further—1947 Bloor Street—into Wendigo Creek or into the environs—in other words, the housing and the park to which it is adjacent? Are you in a position to give that assurance today?

**Hon Mr Stockwell:** I don't live very far from the site. I don't know if you know it or not; I'm but a couple of miles away. What I will say to you is that there has been no testing done where we have found any off-site contamination, period.

**Mr Kennedy:** I appreciate that, Minister, but you may remember the circumstance. In the spring I came to you about this. Your advice then was that the proponent had done testing and that we were prepared to rely on it. The proponent said there was no pollution off-site, and yet mere steps away—which I think you know if you've walked it at all—20 feet away, there is a creek that demonstrably has—and your tests confirm this—petroleum products in it. Those petroleum products come out of seeps on the western bank and they're visible. Many people now have seen them and have become aware of them.

The Ministry of the Environment is the only ministry or authority that can protect Wendigo Creek in this particular circumstance, and yet up to now, as far as I know, you have declared no official interest. This is all what your officials have called "pre-compliance" work that you do with people involved.

So when you say that no tests have shown the problem, why can't you give me the more positive assurance that the people in that area can rest assured that you've done due diligence, and that when that property is dug up—because that's what imminent there, you realize; piles are going to be driven in there for a condominium—it will not release contamination into the nearby area and that the pollution that is definitely in the creek is not

coming from there? Have all the tests that could be done been done and can you give us that positive assurance? I think you understand the difference between that and what you just told me. If not, can you tell me the reasons that would get in the way of that?

**Hon Mr Stockwell:** I understand what you want from me. You want a yes or no sort of answer. Sometimes it's difficult with questions to give you a yes or no answer.

I can only tell you what the results are from the testing that has been done by the proponent. The city has been involved, and the Ministry of the Environment. All the testing we have done to date shows there is no off-site contamination from the Context site. The results do not indicate there is Context as the source. I'm not arguing with the results of your study that you brought to me.

**Mr Kennedy:** And your results too, that there is contamination in the creek.

**Hon Mr Stockwell:** Right. But all of our testing has clearly indicated that the resulting contamination did not come from the Context site. Your question is that they're going to develop the site. You're right. By going about developing the site, we are continuing to find out how this got contaminated; we're trying to investigate where it comes from. If it doesn't come from the Context site, it has to come from somewhere. So the city is involved in trying to find out where the contamination is coming from.

1540

**Mr Kennedy:** I appreciate that, Minister, and I do want to know that, but I want to make absolutely sure of this one point: have all the tests been done? As I understand it, a few bore holes were made. We had a hydrogeologist who we hired. In fact, people in my riding paid for this hydrogeologist because your ministry couldn't be convinced to take this further step. He said there is very compelling evidence of that possibility.

Have all the things that this hydrogeologist, who your ministry has used on other occasions and who I believe has professional standing—have they been done? Because that's a different thing than searching somewhere else on the basis of a few bore holes. Have all the tests the hydrogeologist recommended been carried out? The follow-up is, are you then in a position to tell us with absolute certainty that there is no possibility the contamination is coming from there?

**Hon Mr Stockwell:** There has been testing on this site. In your typical development application, this has had more testing than virtually—

**Mr Kennedy:** With respect because I'm sure I've only got a few minutes, I know you're going to say that you've paid extra attention here. That was the point of my intervention. I thought this was an unusual case. You have a natural habitat there. You have a duck pond. Clearly, you have gasoline products in there.

**Hon Mr Stockwell:** So we did pay extra-careful attention to this site.

**Mr Kennedy:** What I'm asking is, you've chosen, as minister, not to take official standing here. You're acting in a compulsion kind of thing, but you haven't taken any



legal standing to protect Wendigo Creek, as far as I'm aware. You haven't used any of your powers. You haven't required things. You've had voluntary compliance, mainly by the city.

**Hon Mr Stockwell:** Which they've done.

**Mr Kennedy:** The proponents, to the best of my knowledge, have not paid for additional tests. The city has done most of them.

**Hon Mr Stockwell:** Oh no, they've been involved as well.

**Mr Kennedy:** But to the extent we can here, you've chosen to do that obviously because you don't, to the best of your advice, believe there is that possibility of contamination. You've paid attention to this, I agree, but why don't you order a full environmental assessment? Why didn't you declare that extra involvement?

**Hon Mr Stockwell:** Mr Kennedy, be fair. I'm not a scientist. You're not a scientist. I have to rely on expert advice from scientists. The people who have provided me with this expert advice have said to me very clearly that the Context site is not contaminating off-site. As the Ministry of the Environment, we hire, we rely on, we pay these people to provide us with this expert advice. When they provide you with that expert advice, you take it.

**Mr Kennedy:** I appreciate that. But the way you've phrased it right now is what I'm going to go back to my constituents with. You say for certain that the Context site is not doing that. Previously, you said there were tests and there is no proof of it, but you're saying that you and your officials are assured at this time that Context is not contaminating Wendigo Creek.

**Hon Mr Stockwell:** I'm assuring you today that any off-site contamination you speak about is not coming from the Context site, through any of the studies, analyses or tests we've done—nothing, none of it.

**Mr Kennedy:** Have you taken any additional steps to ensure that during the dig-up, there won't be contamination, and can you tell us what any of those additional steps are?

**Hon Mr Stockwell:** Yes. The city is constantly monitoring, in fact at this point in time. They will be monitoring during excavation and they will be ensuring that the soil (a) is cleaned up, which I think everybody wants, and (b) there is no off-site contamination during the excavation.

**Mr Kennedy:** Just for absolute greater certainty, does that mean there'll be testing during any excavation? Will it be concurrent? Because your previous departmental position was to test after the fact.

**Hon Mr Stockwell:** Yes, they're testing concurrently, during excavation.

**Mr Jean-Marc Lalonde (Glengarry-Prescott-Russell):** Minister, as you are aware, there is a Sarsfield hog farm that is within the city of Ottawa. I'm told the Minister of Agriculture has given approval to issue the building permit. We know that within the city of Ottawa at the present time, Dr Cushman was doing an environmental study of this site. We know the regulation of the Nutrient

Management Act has not been issued yet; it's in preparation.

What I'm concerned about at the present time is that there will be a class action over this issue, and it is probably going to cost quite a bit of money to the province, which the taxpayers will be paying for.

**Hon Mr Stockwell:** We only have a minute and a half.

**Mr Lalonde:** Two weeks ago the city decided not to issue the building permit. Last week, when I came back from outside Canada, I read the paper and the liability licence will be issued. The fact that—

**The Chair:** Very quickly, Mr Lalonde. You're almost out of time.

**Mr Lalonde:** There is an environmental issue there. Have you been involved in this issue?

**Hon Mr Stockwell:** I'm not certain. I don't know if OMAF has produced a building permit. I can't imagine why OMAF would be producing building permits. All I can tell you is I know the issue intimately. I understand the issue, I think. The whole nutrient management bill was designed to deal with these kinds of issues.

**Mr Lalonde:** They're giving the permit prior to coming out with the regulations, so they go under the previous regulations, and there weren't any.

**Hon Mr Stockwell:** What I can say to you is I didn't know the permit was issued. Let me check back and find out.

**Mr Lalonde:** We're talking of over 60,000 pigs a year.

**Hon Mr Stockwell:** I know the issue quite well.

**The Chair:** Thank you, Mr Lalonde. Now to the third party.

**Ms Marilyn Churley (Toronto-Danforth):** Just to follow up on that, that's not an issue I'm going to ask any questions about, Minister, but I am getting a lot of letters on that, and it might be something you would want to look into. I sent you a letter recently—

**Hon Mr Stockwell:** I was doing a public hearing in Kemptville last week and that issue specifically was part of the whole public hearing process.

**Ms Churley:** It's becoming a huge issue, the problems with OMAF—

**Hon Mr Stockwell:** You're singing to the choir here; I know.

**Ms Churley:** OK. I want to talk about Kyoto.

**Hon Mr Stockwell:** So do I.

**Ms Churley:** You're probably going to like this question. I'm trying to understand in the cut and thrust, if we can call it that, of question period in the House and scrums after—we don't really get into it and we don't have a lot of time here. I'm really trying to understand. When you say that Ontario can't sign on to Kyoto because you don't have enough information from the feds, I agree; I have to say I agree that the way the Liberals in Ottawa have handled this, knowing that it's coming and at first not saying they'd sign on and then saying they would, there are a lot of details left out. What I'm trying to understand is this: as I understand it, the

reductions in CO<sub>2</sub> have to be 30% by—is it 15 years?—2008 to 2012. I think it's 30%; is that correct?

**Hon Mr Stockwell:** Six per cent below 1990 levels.

**Ms Churley:** I think it comes out to about 30%.

**Hon Mr Stockwell:** It could be. You'd have to guess.

**Ms Churley:** Yes, and that's what some are saying, that it's about 30% over that period of time.

First of all, I want to get your understanding of the problems to date with the information the feds have given you, what's there, and why that's an impediment for you to sign on, given that we know we've got to reduce it by a certain amount. They talked about the discussion, the round tables, the 18 months of that, and about discussion papers. I frankly have not looked at those results. What's the problem in your view?

**Hon Mr Stockwell:** I appreciate the question, I appreciate the non-partisan way it was put, and I will try to be non-partisan as well. The reality with Kyoto is simply this: there were round table discussions, but those round tables were consultations rather than information sharing. So they were consulting and getting information from the public.

The reports that were brought there were interesting, but they weren't government reports and document reports on the cost and impact of Kyoto. I say to all the members at this table that I think it's a very important issue and I think you should all listen to what it is Ottawa is asking the province to do before you go about saying we should sign Kyoto. We have no idea what megaton reduction they're expecting out of Ontario. So first and foremost, how do you sign a deal when you don't know what they're asking you to reduce? I guess that's the first question. Is the megaton reduction 240 or is it 170, or with the whole bunch of crazy credits they're asking for, is it 110?

The problem I'm facing as Minister of the Environment of Ontario is that the federal government won't tell us what they expect us to reduce greenhouse gas emissions by. If they won't tell you what they expect you to reduce gas emissions by, how do you know if you're in favour or not?

The second problem is that they won't tell us what their studies indicate to be the economic cost of implementing Kyoto. That's a side issue and it may not be as important, I think, to the greens and the lefts of the world as it maybe would be to the rights and the business people of the world, but everyone must concede it's an issue. If it's going to cost billions of dollars and hundreds of thousands of jobs, maybe before you sign an agreement, you might want to know that.

So we're in a very precarious position. We have the federal government saying they're going to ratify the Kyoto Protocol at the end of the year, but they won't tell us what it needs. They won't tell us what our reduction levels are and they won't tell us the cost implications financially for it. So as a responsible elected official representing people in the province of Ontario, it would be my fiduciary responsibility to get answers to those

questions before I committed the province to the Kyoto Protocol.

**1550**

**Ms Churley:** So what you're essentially describing is that you're between a rock and a hard place, because—

**Hon Mr Stockwell:** Or the devil and the deep blue sea.

**Ms Churley:** Yes, which is often the case, because while I agree with you that the Liberals in Ottawa have not—and you'll notice I'm clarifying here, the Liberals in Ottawa, because I'm trying to be non-partisan—done their homework on this, and there are no implementation plans, it seems to be a Chrétien legacy that he wants to leave here. I think we all recognize that, Minister. The difficulty you've got is that they're saying they're going to sign it.

Without the implementation plan, Ontario, the biggest province in Canada, is coming out and saying, "We can't do Kyoto." Why can't you go forward and say, "Look, we've got these issues and these problems, but we should sign on and try to negotiate," when the ministers all meet? "Here's what we think we can do here in Ontario. Here's what we've done. Here's what we think we can do. We would like to sign on to Kyoto"—I'm trying to help you out here.

**Hon Mr Stockwell:** Yes.

**Ms Churley:** "We would like to sign on to Kyoto, and here's what we'd like to put forward as a starting point." It's a bit more of a positive response and shows that Ontario is attempting to find a way to sign on, instead of just saying, "We don't have this, so therefore..." Why can't you do that?

**Hon Mr Stockwell:** Let me just say first that I think we're all in favour of reducing greenhouse gas emissions. That's the game plan. We've had Drive Clean. We put caps on, and I know you're going to say it's not enough—

**Ms Churley:** Well, of course it isn't.

**Hon Mr Stockwell:** —caps on power plant emissions, a commitment to examine biodiesel, all those things.

**Ms Churley:** And you would agree that's not enough, given what we've got to do.

**Hon Mr Stockwell:** Well, you know what? I'd like to do more as well. I guess the dilemma we're faced with is simply that if we sign the protocol, we sign away all the rights. So what is the total amount of megaton reduction we will get by signing the protocol? We don't know. If we end up getting in the neighbourhood of 70- or 80- or 60- or 50-megaton reductions that we're going to be asked to do, it's going to cost us economically, from all the reports I've seen, billions of dollars and hundreds of thousands of jobs.

The other thing is, the way Kyoto is structured, if you want to buy credits, you don't have to reduce greenhouse gas emissions.

**Ms Churley:** Well, that's correct, and that's a problem.

**Hon Mr Stockwell:** That's a huge problem.

**Ms Churley:** It's a huge problem. I agree with you on that.

**Hon Mr Stockwell:** What it means then is that we ship Canadian dollars to Russia, India, China—the United States, for that matter, because they didn't sign on—we ship out Canadian dollars so we can continue producing the exact same amount of greenhouse gas emissions, and those countries that receive the money don't have any obligation to reduce their greenhouse gas emissions. So in the world theme, not a single greenhouse gas emission has been reduced, but it has cost Canadians billions and billions and billions of dollars. That to me is nuts.

**Ms Churley:** You just sounded like Mel Lastman. I guess the problem, though, Minister, is this, and I come back to it again—

**Mr Ted Chudleigh (Halton):** He's got a different hairdo.

**Ms Churley:** He does, if you can call that a hairdo.

**Hon Mr Stockwell:** Look at Rosie; he's on the TV. He's got a hairdo just like mine.

**Ms Churley:** Let's come back to the fact, though, that if you look at—and people argue this. I hope you're not in that camp who argue any more that global warming is a problem. Down the road, when we think of our kids and our grandkids—

**Hon Mr Stockwell:** Of course. Yes. Agreed. I've got kids. I agree.

**Ms Churley:** You start thinking about them at our age—

**Hon Mr Stockwell:** I don't have grandchildren like you, but I have kids, and I agree.

**Ms Churley:** You're not as old as me.

**Hon Mr Stockwell:** But I agree with you. Greenhouse gas emissions, global warming, is an issue.

**Ms Churley:** It's a problem, and we've got to deal with it. Kyoto is only the beginning, and that's what alarms me here. If we're having this much trouble finding a way to make these reductions, what in the world are we going to do?

**Hon Mr Stockwell:** Let me ask you a question, and I don't mean this in a rhetorical—I mean it in a true non-partisan way. Would you really think that adopting the Kyoto Protocol and seeing no reduction in greenhouse gas emissions worldwide is any accomplishment at all?

**Ms Churley:** No, but what I would expect you to do as the minister in Ontario is to come forward with a plan and say, "We want to sign on." We think so far what you've got here is not going to work anyway. Why not take the high road and say, "We want to sign on to Kyoto. Here's our plan to do it. Here's what we think we can do in Ontario?"

**Hon Mr Stockwell:** What is our megaton reduction?

**Ms Churley:** Come up with it. That was going to be my next question around freedom of information. I wanted to ask specifically what work—and I know you're a new minister—

**Hon Mr Stockwell:** What do you want as a megaton reduction? What do you think is reasonable?

**Ms Churley:** Oh, I don't know, but what I wanted to ask you—

**Hon Mr Stockwell:** Before you signed the deal, wouldn't you want to know that? Before the Libs sign the deal, wouldn't you want to know what your megaton reduction was?

**Ms Churley:** It's your job to work that out, though, and negotiate with the government. What I wanted to ask you is, although you're a new minister, what work specifically has been done by any number of ministries, I suppose, including yours, knowing that this was coming, looking at specific reductions Ontario could—

**Hon Mr Stockwell:** Very little.

**Ms Churley:** The reality is, there hasn't been a lot of work done.

**Hon Mr Stockwell:** No, because we always believed the federal government because the federal government told us they negotiated the deal—

**Ms Churley:** You believed the federal government? Chris.

**Hon Mr Stockwell:** Maybe that's a big mistake. Maybe we're naive, but we believed the federal government. They negotiated this on a worldwide basis. I think they got fleeced at the negotiating table, but that's beside the point.

They negotiated on a worldwide basis. They brought the deal home. They said they were going to ratify it and then they were going to tell all the provinces what their megaton reduction would be, they would tell all the provinces the cost and they told us none of us would suffer economically because they'd mitigate the losses. That's what they told us. So we didn't do our own work because they told us they'd give us this information. We spent two to three years asking for the information and they've never given it to us. They are now going to ratify the agreement at the end of this sitting and they still won't give us the information.

**Ms Churley:** In terms of the question Bradley asked today, and he got there before me—

**Hon Mr Stockwell:** Are there any impact studies? No, there aren't.

**Ms Churley:** I heard this from the Toronto Environmental Alliance as well, that they had FOI'd some information and couldn't get it. Is the reality then that part of the problem is there isn't really any information there?

**Hon Mr Stockwell:** Let me say first off that if you FOI'd for information and you couldn't get it, that doesn't make any sense to me. If you FOI information, you're going to get it. Secondly, maybe they didn't like what they got because they thought we had something we didn't have.

**Ms Churley:** No, apparently they didn't get anything.

**Hon Mr Stockwell:** I can't believe that. We'll have to look into it.

*Interjection.*

**Hon Mr Stockwell:** It's on its way.

**Ms Churley:** "It's on its way." What's on its way?



**Hon Mr Stockwell:** Whatever correspondence we have. But I guess the question is, you're looking for impact studies in this FOI. Our problem is this: how do you assess impacts on your province when no one will give you the plan?

**Ms Churley:** Turn it around, though.

**Hon Mr Stockwell:** So what, make our own plan and then do the impact studies?

**Ms Churley:** Absolutely.

**Hon Mr Stockwell:** But we're not the federal government. They negotiate these deals worldwide. They've committed to what I perceive to be somewhere between a 170- and 240-megaton reduction. The lion's share of that reduction is probably going to fall on Alberta, Ontario and BC. They won't tell us what our level is.

**Ms Churley:** Alberta has come up with its plan, but—

**Hon Mr Stockwell:** Did you see their plan? It's all manufacturing-based.

**Ms Churley:** The other thing about it is that it's been analyzed and in fact greenhouse gases will not be reduced but there will be more of them.

**Hon Mr Stockwell:** Who analyzed them and did that?

**Ms Churley:** Some environmentalists and scientists.

**Hon Mr Stockwell:** Well—

**Ms Churley:** You see how he feels about environmentalists?

**Hon Mr Stockwell:** The Canadian Manufacturers' Association and the environmentalists—I take all their studies with a grain of salt because they're all arguing from a point of view of either oppose Kyoto or be in favour of Kyoto.

**Ms Churley:** These are scientists, though, within the movement.

**Hon Mr Stockwell:** David Suzuki coming out and saying there's \$200 billion worth of benefit in signing Kyoto—you've got to be smoking soft coal if you believe that.

**Ms Churley:** But can I just say, Alberta did come up with its own plan, but you haven't.

**Hon Mr Stockwell:** They did, but what was Alberta's plan? Let me tell you Alberta's plan.

**Ms Churley:** Even though I reject their plan, you have not come up with a plan.

**Hon Mr Stockwell:** We could come up with a plan. Alberta's plan is to take all the megaton reduction off the energy sector, which impacts them, and put it on the manufacturing sector, which impacts us. I've got a plan. We'll take all the impact on the manufacturing side, take it off them and put it on the energy side to Alberta. That's not a plan; that's just rearranging the deck chairs on the Titanic.

**Ms Churley:** Do I have any time left?

**The Chair:** Sorry, you only have one minute.

**Ms Churley:** When you go to the meeting next week, what position are you bringing forward?

**Hon Mr Stockwell:** The feds have told us that they're going to have some information for us, but then again they said maybe not till mid-November. Now you know what I'm up against. They say, "Maybe we'll have it last

Monday," then they cancelled the meeting. Then they say, "Oh, we might have it this Monday." Now they've said, "Oh, we might have it in mid-November." They're voting on the thing two weeks after that. How are we going to get the information, have a rational review of it and then deal with the impacts on Ontario before they vote in early December?

They've managed this in the most incredibly incompetent way I've ever seen. I don't think it's partisan for all of us to come together and say that because we're representing Ontarians.

**Ms Churley:** You're right about that. But I'd end with this: you have a responsibility to go forward with a plan that shows how we're going to reduce our emissions in Ontario.

**1600**

**The Chair:** We now turn to the government caucus.

**Mr Wayne Wettlaufer (Kitchener Centre):** Minister, this summer was the second consecutive summer that a great deal of attention was given to air quality in Kitchener. Unfortunately, Kitchener now rates as having the poorest quality air in all Ontario and among the worst in all Canada.

Certainly I know of your commitment to the quality of the air we breathe. My common response over the past couple of years has been that most of the pollution in the air is caused, of course, by the coal-fired plants of the American Midwest.

**Hon Mr Stockwell:** It represents at least half.

**Mr Wettlaufer:** Yes, at least half.

There has been a fair amount of attention just recently to the leader of the official opposition's clean air plan. I have to do more than laugh when people ask me about it, so I was wondering if you can give me a bit of a response on what you think of it.

**Hon Mr Stockwell:** First and foremost, to get back to the Kyoto clean air stuff, I think there has been confusion among politicians in general, and sometimes among the media, that greenhouse gas emissions will reduce smog days in Toronto. It's not true. Smog days are going to happen irrespective of greenhouse gas emissions. So you have to understand, first and foremost, that Kyoto is not going to solve your smog day problems. That's a different issue.

Having said that, the Liberals came out with—what are they calling it?

**Mr Wettlaufer:** A clean air plan.

**Hon Mr Stockwell:** The problem is it's seriously, seriously flawed from beginning to end. The difficulty the Liberals find themselves in is this: they are suggesting that they would close the coal-fired plants by 2007, but there's no substantive replacement of power that they would replace the closing of the coal-fired plants with. They talk in nebulous terms about natural gas-fired plants and alternative energy sources. If there was really an ability in the next three or four years to produce enough wind power to replace the coal-fired plants, I might say OK. But nobody I know is saying that's a realistic option except the Liberals.

It really is difficult to take this actual recommendation seriously, because as you work your way down the road, if they did close the coal-fired plants, they'd have to buy their power out-of-province. Well, where would they buy their power? They'd buy it from Ohio, Michigan and New York. And how do these guys produce their power?

**Mr Wettlaufer:** Coal.

**Hon Mr Stockwell:** Coal. Worse yet, they produce it with dirty coal and no scrubbers. So they close our coal-fired plants, go outside the province to buy power and buy potentially the dirtiest power produced in the world in the Ohio, New York and Michigan areas—coal-fired power. There's a short-sightedness, and the short-sightedness is that somehow, magically, you can produce power generation. It's not that simple.

The other fly in the ointment is that they say they're going to build gas-fired plants. Well, where are you getting the gas? Right now, the gas we have piped in to this province is virtually used up completely by consumers. You have to build another gas line, which costs billions and billions of dollars, and you have to determine (a) where it's going to come from—we all know it's Alberta, (b) who's paying for it, and (c) how long it's going to take.

It's difficult to get into a rational and serious debate with the Liberals on this energy policy they have. As I said last week, they have the luxury of being in opposition. By being in opposition, they can pretty much say or do anything, knowing it's not being implemented tomorrow. They can make any kind of promise knowing they're not going to have to deliver on that promise, potentially, for many years or never.

Making the argument that you can shut down the coal-fired plants by 2007 is so full of holes. The pièce de résistance, the reason it's so full of holes, is that the alternative energy committee, which had three Liberals sitting on it—Bountrogianni, I believe, Bradley and one other member—

**Mr John O'Toole (Durham):** John Gerretsen.

**Hon Mr Stockwell:** —John Gerretsen—actually signed the report that said they would close the coal-fired plants by 2015, after hearing all the expert advice, all the expert information, all the expert deputations. Not a week after signing that report that said they'd close them by 2015, their own leader comes out and says, "I'll close them in 2007." They personally, in a quiet moment at their home, watching TV by themselves, would admit it's a bogus report.

**Mr Wettlaufer:** So I can continue to laugh?

**Hon Mr Stockwell:** I think you should challenge them, though. I don't think laughing works.

**Mr Steve Peters (Elgin-Middlesex-London):** We'll challenge you. Where's your plan?

**Hon Mr Stockwell:** I don't think that just laughing works. You have to challenge them. Because as long as you allow them to make these incredible statements, eventually they believe them and ultimately the public may end up believing them. It's old-style politics. This is what it was like in the 1980s when I first got into this

game. You just promised people anything—you had no intention of ever delivering on it; you just promised them—like beer in the corner stores under Peterson, auto insurance fixes and balanced budgets.

**Mr Peters:** And no cuts to agriculture and an Ontarians with Disabilities Act.

**Hon Mr Stockwell:** I guess I'm being interrupted on the sidelines here.

They talk about a commercial concentration tax in Toronto. Then you walk through the NDP's list of promises from eradicating food banks to nationalizing insurance—all these things. They just said them. My fear is we're going backwards with policy positions from the opposition, like the Liberals, who make these promises they can't commit to, or the NDP last week saying they would not allow any more water-taking test permits. No one would get it—

*Interjection.*

**Hon Mr Stockwell:** No, I didn't.

**Ms Churley:** Yes, you did.

**Hon Mr Stockwell:** Frankly, that's the kind of place we're going to.

If you want a sustainable environment, if you want sustainable energy, you have to go at it practically and responsibly. Yes, we've got to put alternative energy on the system. This is the government that has provided it. Neither the Liberals nor the NDP would allow wind power or solar power on the grid, and I'm not really certain we need to take any lectures about power in this province from two governments who wouldn't let green energy on to the grid.

**Mr Wettlaufer:** Thank you. I have a colleague who wants to ask a question.

**Mr O'Toole:** Mr Chair, I'm going to share what's left of my time with Mr Chudleigh, if you could tell us when we have about five minutes left.

Minister, I appreciate the opportunity to go on the record here. In May 2001 our government introduced a plan: air containment discharge monitoring and reporting, regulation 127. They also released a step-by-step guide. I'm sure you know, as minister, that this requires industry, commerce, institutions and emitters to assess and report assessments on more than 300 substances—a rather rigorous regime. As of June 1, 2002, large emitters reported, and as of 2003, small and medium-sized emitters will have to report—a rather rigorous, red-tape kind of thing. Quality air: I understand that.

**Hon Mr Stockwell:** I think it's good red tape.

**Mr O'Toole:** Oh, yes. It's good red tape. There's what we call smart tape now.

**Hon Mr Stockwell:** Smart tape. The Liberals want to cut red tape lengthwise.

**Mr O'Toole:** What I'm really advocating strongly, on behalf of one of the largest employers in the country—they want one-window reporting. It's the goal of the industry. You're aware of that. There is a working group. They're rather frustrated. I'm sure you're aware of that.

**Hon Mr Stockwell:** Yes.

**Mr O'Toole:** This is the point, and I'd like a response probably from the deputy, not that I discourage your ability to feed back on it, but harmonization with the federal NPRI needs to be implemented, and soon. What is your position with respect to providing a harmonized reporting mechanism without all the rigours the current regime seems to be implementing? There's more to it, but I'll let you respond to that.

**Hon Mr Stockwell:** Your question is well put. We are in favour of harmonizing.

**Mr O'Toole:** Starting when?

**Hon Mr Stockwell:** Well, we're harmonizing right now in a lot of cases with respect to air quality and emissions. Some are going to be as far out as four or five years in the future. SWARU is a good example of harmonizing and monitoring. In 2006 they'll be harmonized across the entire country.

We are working with Environment Canada right now. We want to harmonize as quickly as possible. The difficulty you're faced with is that we have certain priorities in Ontario that are different from the priorities of other provinces in this country. Whereas we're a manufacturing-based jurisdiction, other areas that aren't are looking at different forms of harmonization with the federal government. So it does move slowly.

What you said with respect to finer particulate matter postings I think is a good idea. People should know what is in their air and what emissions are being emitted by the large industry around them. What we've done is allowed individuals to know, on a daily basis, the emission levels of these large operations around them and to monitor it themselves. The best environmental officer we have is the average individual out there living in the province of Ontario. The more we can educate them, the more information we can get to them, the better environment we're going to have because they're the best environmental officer we have. They'll phone us and tell us, "Look, I'm monitoring this stuff, and here they're up," and then we'll have the opportunity to look into it.

**1610**

So harmonization, yes; reporting, absolutely, and reporting from the large emitters sooner than the small emitters—I'd rather they were all at the same time, but it's good to get the large ones in there and see how it works; and frankly, empowering people to become their own environmental assessment officer.

**Mr O'Toole:** The response they give me is that the record-keeping requirements outlined in the guide are too prescriptive and beyond reasonable, as they determine it. What I mean by that, and I mean this respectfully—I'm speaking about the auto sector. The auto sector, because of the mix of products and inputs—I know some of the names; they're all chemical names. If there's even the slightest substance on this reporting, it's the mechanisms that have to be put in place to capture, monitor and report these rather rigorous and unsubstantive amounts. Is there not a better method of saying in the guidelines, "These substances beyond these levels," or some other mechanism? It's not that they ignore those potential inputs, but

on products that may come from other provinces, other countries etc they aren't as onerous. They're finding this to be very cost-prohibitive in terms of compliance, and also in the number of substances that needed to be reported. I just hope you're looking forward to the particular report.

**Hon Mr Stockwell:** You're talking about 1,200 volatile organic substances. Yes, we're trying to simplify that reporting for them. We understand the problem—

**Mr O'Toole:** I'll be sending this Hansard to the vice-president—not that this is a threat.

**Hon Mr Stockwell:** No, I'm not saying it is. They've brought this to my attention, John, and you've brought this to my attention before. I understood your arguments and I took it to the Ministry of the Environment. They understood your arguments and they are actively working now to simplify those 1,200 volatile organic—

**Mr O'Toole:** Mr Chudleigh has a very good question that I wanted to ask, but he thought of it.

**Mr Chudleigh:** Actually, I've got two really good questions. I'm not sure if I've got room. This will be a multiple choice; you can answer whichever one you want.

The nutritional management act: we all want clean water, we all want a pure environment, no one more so than the agricultural industry. The agriculturalists need pure water, clean land and clean air to grow profitable and large crops. The Nutrient Management Act is going to control some farm practices. Can you see how the Nutrient Management Act can be enforced and also ensure that the competitiveness of agriculture remains in the forefront? That's my first question.

My second one, which you have a choice on, is the Adams mine. I go back and forth to London quite often. All along that highway I pass garbage trucks, coming and going. I can't believe that's environmentally good for our air, and it's hard on our roads. It doesn't make good sense. Does the Ministry of the Environment in Ontario have a plan to begin using the Adams mine in a responsible way, as opposed to sending garbage shipments down the road?

You can answer either one of those, Minister.

**Ms Churley:** We're waiting with bated breath.

**Hon Mr Stockwell:** I'd rather answer the second one. The situation with the Adams mine is that it's the city of Toronto's decision not to ship garbage to Kirkland Lake, the Adams mine. I'm not going to argue with the city of Toronto's decision-making, but I do argue with their environmental approach. I don't know if I'm going to get heat from the other side; I'm not sure. But from an environmental point of view, I can't believe that thousands of trucks travelling every day along the 401 to Michigan is a good way to deal with your waste. I just can't believe it.

How do we, then, go about dealing with it? Right now, we've got to look at incineration and we've got to look at advancements in technology. We should be dealing with all of these.

**Ms Churley:** Compost.



**Hon Mr Stockwell:** Composting is great. I'm not arguing with anyone. I think Etobicoke is the first community that's into this composting—

*Interjection.*

**Hon Mr Stockwell:** I'm not suggesting it may. I live in Etobicoke and we've got the green containers.

*Interjection.*

**Hon Mr Stockwell:** No, it's just Etobicoke.

Anyway, let me just get to the point. The point is—

*Interjection.*

**Hon Mr Stockwell:** I know, but Etobicoke is part of Toronto. When I ran for leader, I told everybody I was from Etobicoke, not Toronto.

Let me just say this: the Adams mine site passed all the environmental standards. It passed the environmental assessment. It was measured, taken as it should be. It was rigorously reviewed and approved—rigorously reviewed and approved. There can't be any debate about that. It went through the process and was approved, with all the scientific knowledge, all the stuff that should go into a landfill site.

I think shipping our garbage to Michigan is a recipe for disaster, for two reasons. One, I can't believe the Steve Peterses of the world want to see garbage running down the 401 every day to Michigan. That can't possibly be a good way to deal with your garbage from Toronto.

Secondly, one of these days Michigan is going to cut us off, and when Michigan cuts us off, and I say Toronto, we are not going to give them a lift to Keele Valley. They're going to have to find some place to put that garbage, and if they've been cut off, I don't know what they're going to do with it.

It doesn't seem like frontier thinking to me with respect to the Adams landfill site. I know the people up at the Adams mine are going to be mad—

**Ms Churley:** It's a lake.

**Hon Mr Stockwell:** It's not a lake.

**Ms Churley:** It is so.

**Hon Mr Stockwell:** It's not a lake. It rained in the open pit mining; that's what happened.

Anyway, you don't need to know any more. I appreciate your time. Thanks so much for having me.

**The Chair:** Minister, we appreciate your time. I want to thank you and the attentive staff you've brought with you today. The ministry is better off. They may wish to stick around to see how the vote turns out, whether we actually approve the estimates for the ministry. I will now turn the committee's attention to that matter.

I'll put them all together. Shall votes 1101 through 1105 carry?

**Ms Churley:** A recorded vote.

**The Chair:** OK. All those in—

*Interjections.*

**The Chair:** We're in the middle of a vote, gentlemen.

**Mr O'Toole:** Mr Chair, I would ask—

**The Chair:** Is this a point of order?

**Mr O'Toole:** Yes, a point of order. Mr Chair, I would ask that we have a five-minute recess.

**The Chair:** You are allowed. I will consent to a five-minute recess. This is in advance of the vote, is that correct?

**Mr O'Toole:** Yes.

*The committee recessed from 1617 to 1621.*

**The Chair:** We're resuming the votes for the Ministry of the Environment. Is there any objection to the votes being put together, 1101 through 1105?

**Ms Churley:** That's fine.

**The Chair:** OK. Shall votes 1101 through 1105 carry?

**Ms Churley:** A recorded vote, please.

### Ayes

Chudleigh, O'Toole, Spina, Wettlaufer.

### Nays

Churley, Peters.

**The Chair:** I declare the motion carried.

Shall the estimates of the Ministry of Environment and Energy carry?

### Ayes

Chudleigh, O'Toole, Spina, Wettlaufer.

### Nays

Churley, Peters.

**The Chair:** I declare the motion carried.

Shall I report the estimates of the Ministry of Environment and Energy to the House? Agreed. The motion is carried.

Thank you for your attention. We are now recessed until 4:30 of the clock. I expect members back for the Office of the Premier.

*The committee recessed from 1623 to 1639.*

## OFFICE OF THE PREMIER

**The Chair:** I'll call the standing committee on estimates to order. We are here to consider now the estimates of the Office of the Premier. We have a request from Garfield Dunlop, who is here as parliamentary assistant on behalf of the Premier, that tomorrow we are in half an hour early. I'll just say it's the tradition of the committee to permit attendees, on behalf of ministries, that kind of grace. So unless there's any objection, we will sit tomorrow until 5:30. Is that OK with all the members? Thank you.

Without any delay, then, I'll let you know that we're here for consideration of the estimates of the Office of the Premier. We commence by calling vote 2401. As members of the committee are familiar—I know Mr Dunlop has appeared here in other capacities—we begin with a 30-minute statement by the parliamentary assist-

ant, followed by 30 minutes for the official opposition, 30 minutes for the third party and then 30 minutes for right of response for the parliamentary assistant. The remaining 5.5 hours is then apportioned equally among the three parties for questioning.

Mr Dunlop, would you like to commence?

**Mr Garfield Dunlop (Simcoe North):** Thank you very much, Mr Chairman, members of the committee and ladies and gentlemen present here today. I am pleased to come before you today as the Premier's parliamentary assistant to present the 2002-03 estimates for the Office of the Premier.

As the material that has been provided to the committee notes—that's your blue folder—the estimated budget for the Premier's office has been reduced by 5% since last year. This voluntary reduction of expenses reflects the government's commitment to providing Ontario taxpayers with a more efficient and effective government. I'm proud of the strong leadership our Premier and our government have shown in this regard.

Before I outline the details of the 2002-03 office budget, I want to offer some context for these estimates. Specifically, I want to begin by highlighting how the government, including the Premier's office, is addressing the issues of importance to our citizens here in our province. In 1995, Ontario was headed in the wrong direction, and we were elected by the people of Ontario, the citizens of our province, to point the province down a new path, down a new road to prosperity. The people asked us to put an end to government waste and government inefficiency. We believe very strongly that as a government, we have succeeded in that.

Some of the proof is before the committee right now. For example, in today's dollars, the \$3.1-million estimated expense of running the Premier's office is less than it cost to run each year from 1986 to 1995. That's just one example of our fiscal record, which includes four successive balanced budgets. I can tell you, Mr Chairman and members of the committee, as a new member of this Legislature elected in 1999 with 25 years of experience in business and 20 years as a municipal councillor, I believe very, very strongly in balanced budgets. In fact, in business you can't survive without it being that way, as you can't be a municipal politician. I believe that is one of our great accomplishments as a government.

*Interjection.*

**Mr Dunlop:** Well, we'll get to that in a minute, to the member for Timmins-James Bay.

But we also recognize that fiscal responsibility is only a means to an end and not the ultimate goal. We didn't cut taxes for the sake of cutting taxes, but to stimulate the economy and create jobs, particularly jobs that our young people require here in this great province. We didn't streamline government for the sake of efficiency, but to better serve our citizens. Seven years ago, those were the right decisions to make. They were necessary, though not always popular. But we stood by our decisions, knowing they would improve the lives of everyday Ontarians.

For their part, the people of Ontario supported our decisions and trusted our judgment. They knew that a growing economy provides more and better jobs, more disposable income and more revenue to invest in our future, in turn renewing economic growth and creating even more prosperity for our citizens.

The numbers that chart our progress are very, very impressive. We have cut taxes 200 times, and we've removed barriers to business and eliminated unnecessary regulations. This has meant the creation of 987,400 jobs since 1995. This is approximately 70% of the national job gain in our great country. I think those numbers were again reflected last month, in September, when the job creation numbers for the whole country numbered 40,000 and 32,000 of them were created right here in our great province. I think it says a lot about the confidence of Canadians and foreign investors, that that many jobs would be created right here in Ontario. We look forward to the numbers for next month when they come out. I think that'll be a great day for Ontario, when we can say that over a million jobs have been created here since 1995. I think that says something for all members of this House.

A stronger economy has also given us more resources to invest in priorities that matter most to Ontarians: quality health care, a strong education system and a clean environment. In each of these key areas, our government has responded to the needs of its citizens. Ontarians want a dependable health care system, one that is there when they need it. Our government knows that universal health care is central to Ontario's great quality of life. As Canadians, we all value the great health care system we have in this country. I think you have to get away and visit other countries around the world to really realize what we have here in Ontario and in Canada. That's why we're working hard to modernize the system and to find new ways to deliver excellent, accessible health care, and it is why our government has increased operating spending on health care by just under \$8 billion over the last seven years. This represents a 45% increase in spending. Just to bring us up to date and make sure everyone in the House knows, that is \$25.5 billion, as was announced in the 2002-03 budget.

But we haven't simply just increased spending. I believe strongly that we have improved the system. We're helping to improve access to care through family health networks, which will ensure that patients in Ontario will have medical care 24 hours a day. Networks are just one of the ways we're helping to keep and attract physicians, particularly in underserved areas.

To help meet communities' needs, we're also boosting medical school enrolment and helping to pay the tuition of doctors who locate in places that require them. Our new northern medical school will help train more doctors, and we're encouraging more foreign-trained doctors to practise right here in our province.

We've invested over \$800 million since 1997 to create over 12,000 new full-time and part-time nursing positions in Ontario. We provide over \$10 million annually

to support nursing education and recruitment. We are also investing \$11 million this year to support more than 100 nursing practitioners in rural, small-town and underserved communities. Our government has made a commitment to more than double the number of nurse practitioners here in Ontario. I have to say I was so pleased when the last announcement came out on nurse practitioners and the county of Simcoe was allocated seven nurse practitioners. We thought that was a giant step forward.

We are also working hard to improve cancer research and treatment right here in our province. There are few families in Ontario today whose lives have not been touched in some way by cancer. I know that in my family, in most of my friends' families, in my wife's family, we've all lost very close relatives to this deadly disease. In the 2002 budget, we increased funding for the Ontario research and development challenge fund by 50%. So far, this fund has committed more than \$435 million to 103 major research projects. Our goal is to create the best and largest cancer research and treatment network in the world. I know that my friend Jim Wilson and my colleague Joe Tascona—I guess they're both my friends. I shouldn't say one's a colleague and one's a friend. In Simcoe county, we're working hard to try to get the Cancer Care Ontario unit right at the regional centre in Barrie. That's something we've been working on for some time. As part of our overall strategy to combat breast, prostate and other cancers, we have also committed \$100 million over five years to the new Ontario Cancer Research Network.

#### 1650

Also, our government launched Telehealth Ontario, a free, confidential telephone service that offers health advice and information 24 hours a day, seven days a week, 365 days a year. I believe now it is across the entire province, including all of the 705 area, but I could be corrected on that. Registered nurses provide general health information, assess symptoms and help callers decide what to do next: care for themselves, make a doctor's appointment or go to a clinic or emergency room. I'm just going to give you that phone number in case any of you people don't have it handy. It's 1-866-797-0000. It's something everyone should have in their pocket, because it will come in handy at some point, probably.

All of these improvements in health care have been made possible by our government's focus on fiscal prudence and responsibility. And those benefits extend beyond the health care sector into other important areas.

For example, this year alone we have also been able to invest in new funding for schools and post-secondary education. Every child in Ontario deserves an excellent education. That's why we're working with students, parents and teachers to improve our schools and ensure that students have equal access to a quality education no matter where they live.

As a government member and in listening to opposition members, I don't think there is anyone elected or

any parent in our province who doesn't think that education is one of the high priorities in any government's mandate. As a father and as someone with a couple of little granddaughters, I believe it is something we have to provide. We have to have excellent education.

Since Premier Ernie Eves was sworn in, we have invested \$560 million in new spending in Ontario's schools to help Ontario's children get a great education. This includes \$65 million for textbooks and technology-based learning resources and \$25 million to expand the successful early reading program and introduce a new early math program. In addition, we've increased funding to school boards by almost \$400 million for the 2002-03 school year. In the 2002 budget, we added a further \$45 million for 2002-03 to support a variety of new investments in our publicly funded boards.

In the two major boards in my riding, the Simcoe County District School Board and the Simcoe-Muskoka school board, our school spending has now passed the half-billion-dollar mark for the first time ever. I'm pleased also to say that as a school board that is growing in most areas, we've been fortunate enough to remove a lot of portables with the investment of over \$20 million in total since 1999 by those two school boards.

With partners' contributions, we've also invested more than \$2 billion to create 61 new facilities and more than 79,000 new student spaces in our colleges and universities. By 2003-04, we will have invested almost \$368 million more in operating grants to ensure that every willing and qualified student finds a place in an Ontario college or university.

Again I'd like to just concentrate a little bit on my riding, and what I know best is Georgian College. It's our only post-secondary facility in Simcoe county, and we've been fortunate that we're putting on a \$25-million expansion under the SuperBuild program, adding about 2,200 new pupil places. What's really exciting is that the Orillia campus of Georgian College will almost double in size, and we're trying to create a Canadian centre of excellence for policing. Georgian College has partnered with the OPP headquarters and the Ontario Provincial Police Association to work with the resources of the OPP to move all the justice and law and security programs to the city of Orillia. So it is good news for my riding. And as I drive around, and every morning I go for a walk around the community here, I see the number of SuperBuild projects that are right here at the University of Toronto and some of the local colleges here in Toronto.

A highly skilled workforce is key to Ontario's future prosperity. We're investing more in our colleges and universities and expanding apprenticeship and training programs to support lifelong learning.

It was our government's attention to fiscal responsibility that has made such investments possible. I am proud to say that Ontario's children will have a brighter, more prosperous future because of the hard work that we have accomplished.

Our children's future success also depends upon a clean environment. We are working hard to ensure that



Ontario has the toughest standards in the world for safe, clean drinking water and that those standards are enforced. That's why we have committed to and fully intend to carry out all of Justice O'Connor's recommendations. We have already taken action. Our government's commitment to ensuring that every Ontarian has safe drinking water was demonstrated through regulations 459, 505 and the proposed Safe Drinking Water Act.

In the 2002 budget, we committed more than half a billion dollars over the next two years to clean, safe drinking water. This includes over \$30 million invested in initiatives such as doubling the number of water inspectors in the province. In fact, Ontario now has one of the most comprehensive stream water quality networks in our country.

Our government will deliver on our throne speech and budget commitments to establish the \$50-million Clean Water Legacy Trust and the Clean Water Centre of Excellence in the town of Walkerton. The centre of excellence will provide access to the best scientific knowledge, research, technology and training in drinking water management and drinking water monitoring.

During the spring session, we reaffirmed our commitment to clean water by ensuring the passage of the Nutrient Management Act, fulfilling Justice O'Connor's recommendations to ensure that farming activities as they relate to nutrient management are conducted in a responsible manner and that groundwater is protected. This year alone, we will provide \$245 million to purchase new water monitoring equipment to conduct groundwater studies and help municipalities upgrade their water systems. We'll also continue to develop a comprehensive source water protection strategy as part of our action plan for safe water.

I know that many of the people in this room and many of the members on all sides of the House have already taken advantage of some of our programs through OMAF. The healthy futures program actually was something in my riding that I took full advantage of, with groundwater studies through the Severn Sound Environmental Association, the Nottawasaga Valley Conservation Authority and the Lake Simcoe Region Conservation Authority. They all took advantage of the healthy futures program and are putting the money to very good use as they monitor and do best management plans for a number of agricultural operations in and around Simcoe county.

We will undertake this plan in the spirit of co-operation and consultation that has typified our approach to governance. It is our belief that a renewed spirit of co-operation among all levels of government will lead to a new era of prosperity for Ontario's cities, towns and countryside.

Today we are realizing the benefits of the tough decisions we have made since 1995. Our province is stronger than ever. Our economy is stronger than ever. But the real improvements are in people's everyday lives: the young family buying their first home, the recent graduate getting a great job, businesses expanding and

creating new jobs at home and finding success in foreign markets, a stronger health care system, an education system that better prepares young people for the future, a cleaner environment. The opportunities that people have today didn't exist when we first took office in 1995.

Prudence and frugality in our own operations are important contributions that we as a government can make to prosperity. That's why we've pursued a consistent course with government budgets—tight fiscal discipline, balanced budgets and debt reduction—in order to provide more resources to priority areas. The people of Ontario expect their government to live within its means. That's why we have focused on the most efficient and effective delivery of government programs and services. We've presented four consecutive balanced budgets, the first time in nearly 100 years. I already mentioned my comments on that. We will continue these efforts because we cannot afford to put our hard-won fiscal discipline at risk.

Effective this year, our business planning process incorporates zero-based budgeting principles. Every ministry is now required to review its entire program spending over a four-year cycle to determine program effectiveness, efficiency and value for money.

How does this affect the Premier's office? Before I get into the details about the estimates, I think it's important that I comment on the purpose and organization of the Premier's office.

The Premier's office supports the Premier in his role as the head of the executive council and as the leader of the government of Ontario. The office co-ordinates the government's policy development and legislative agenda, as well as the government's communications activities. It also supports and advises the Premier on issues facing cabinet and the government. It is responsible for the Executive Council Act, the Lieutenant Governor Act and the Representation Act.

#### 1700

The Premier's Office assists the Premier in carrying out his daily business. The office is comprised of the following six departments: policy, issues management, the office of the chief of staff, communications, tour and public events, and special projects, which includes responsibility for the partnership with Ontarians and caucus relations.

With respect to the Premier's office estimates, Mr Chairman, and as I have already pointed out, you and the members of this committee will find that the Premier's office has voluntarily reduced its estimated budget by 5% since last year. That said, since 1995 the Management Board Secretariat has applied more rigorous accountability policies, which have added to the true cost of the Premier's Office.

For example, running the Premier's office efficiently required an additional \$800,000 to cover staffing costs previously paid for by ministries. Prior to 1998 the cost of office space was paid for by Management Board Secretariat. In 1999 these annual costs of about \$200,000

were transferred directly to the Premier's office books, again to present a truer accounting of costs.

The Premier's office was also restructured to ensure appropriate resources are in place to support the Premier and various cabinet policy committees. This has resulted in an additional expense of approximately \$350,000. This year's estimates also reflect a pension savings adjustment, a transfer in insurance liability and statutory salary amendments.

However, the office has also implemented permanent efficiency measures resulting in a budget reduction of \$240,000 since 1998-99. We have made significant changes to make these costs transparent to taxpayers. On the whole, the cost of running the Premier's office is estimated to be \$3,102,560, which is a 5% reduction from 2001-02.

Mr Chair, could I ask how much time I have left.

**The Chair:** You have approximately eight minutes.

**Mr Dunlop:** In conclusion, I would like to restate that the Premier's office works to support the Premier. It assists him in nurturing a dialogue with taxpayers and in responding to the priorities of the people. Above all, the Premier's Office meets its obligations to the Premier and the taxpaying public prudently, efficiently and openly through a budget and set of estimates that reflect this government's ongoing commitment to strong leadership through efficient and effective government.

It was our government that reduced the overall cost of the public service for taxpayers and we've made the system more integrated and accountable. We remain committed to smaller government and greater accountability.

I want to take a moment to bring up an example of something. I ran into an individual last weekend when I was out in my constituency. I went into a small business. They have about eight employees. We got talking about the cost of operating the business, the efficiencies you find in a business, how difficult it is to do business today no matter where you are because of the expertise required, and in a lot of cases, with the strong economy, there's a shortage of skilled employees.

But I have to tell you that, in dealing with the cost of payroll deductions, I talked to this young lady and she said, "Come over and look at the payroll deductions and I'll show you how the Ontario government has changed in the last six or seven years." She pointed out a young fellow who just got married and is earning about \$705 a week. So he earns about \$36,500 a year. In 1995, if in fact he had had a job then, because a lot of jobs in 1995 were not that secure, he would have paid \$87 in federal income tax and \$55,000 in provincial income tax.

**Mr Gilles Bisson (Timmins-James Bay):** So \$55,000 on a \$36,000 salary?

**Mr Dunlop:** What did I say, \$55,000? I'm sorry, \$55. I want to make sure that's corrected for the record. So it's \$55 provincial and about \$26 in Canada pension. Today that gentleman would be paying \$87 dollars in federal income tax, \$34 in provincial income tax and \$30 in Canada pension. So his provincial income tax is almost

equivalent now to his payroll deductions for the Canada pension plan. Basically that young person—he's about 29 years old—has about \$21 a week back in his pocket. That's about \$1,100 a year he has to spend on things he would require. That \$1,100 is being reinvested right back into the economy.

What I'm saying is that these are the types of improvements we've made. We're all used to making \$80,000 or \$90,000 a year here, maybe more. Certainly for the people who earn \$25,000, \$30,000 or \$35,000 a year, the income tax saving has been a tremendous advantage, because he is investing \$1,100 a year back into the economy. As far as what the small business person said is concerned, she was very pleased that the government had taken those steps and wanted the government to take further steps in the direction of tax reductions in future years, because she believes, as we do, that by having tax cuts you reinvest those savings right back into the economy. I was pleased to hear her make those comments.

That sums up my presentation to this point. I look forward to comments from the other members of the committee over the next few hours. I guess we've got quite a few hours ahead of us to do this, so I look forward to your comments. We'll do our best to answer questions as they come up.

**The Chair:** We now turn to the official opposition. Mr Peters, you have half an hour. You may, by tradition, use it as you see fit to dialogue with the parliamentary assistant, if he so wishes, or to make your own statement.

**Mr Peters:** I will go right into questions. In reviewing the estimates, Mr Dunlop, on page 6 of the estimates, vote item 2401/1, Office of the Premier operating expenditures, the salaries and wages in 2000-01 were approximately \$1.7 million. Last year a little over \$2 million was spent. This year \$2.3 million is the estimate. Could you please explain to me why salaries have increased by approximately \$600,000 in two years?

**Mr Dunlop:** Perhaps you can give me a little time to get my tabs here. What was the question again?

**Mr Peters:** My question is, why have salaries and wages increased by over \$600,000 from fiscal year 2000-01 to 2002-03? It's on page 6.

**Mr Dunlop:** Mr Peters, the top line in the column to the left is salaries, \$2,370,600, and there's no change in the next two lines—

**Mr Peters:** No, but I'm asking what the change is. When you look at column (g), fiscal year 2000-01 actual salaries were \$1,734,965 and projected for 2002-03 it's \$2,370,600. Why the \$600,000 increase?

**1710**

**Mr Dunlop:** The estimates for 2001-02 were \$2,370,000. The actual spent was the \$1,734,000. Is that what you were saying?

**Mr Peters:** No, that's the previous year. If you can't provide me with an answer, could you please table an answer for all committee members?

**Mr Dunlop:** I'll table that, yes.

**Mr Peters:** I'll continue. Very much related to that, I'm hoping you can provide me with the number of



employees that made up that \$1.7 million in 2000-01. How many employees were in the Premier's office in 2001-02, and could you please provide me with the number of employees in the Premier's office today? How many employees does \$2.3 million equate to?

**Mr Dunlop:** The Premier's office today has 44 employees, and I will provide you with the other two numbers tomorrow.

**Mr Peters:** Just on the number of employees, reading from the government phone book, it lists—when I added it up, it came up to 45, so maybe I missed somebody. Under the Premier's office we have 45 employees, but if you look under the Cabinet Office, it contains the Premier's communications support and the Premier's correspondence unit. Could you please explain to me why the Premier's communications support and the Premier's correspondence unit are listed under the Cabinet Office? To me, if you're going to appropriate costs of doing business, why would these employees be listed in the Cabinet Office and not be taken into account as part of the Premier's budget?

**Mr Tony Dean:** I'm Tony Dean. I'm the Deputy Minister and associate secretary of cabinet in Cabinet Office, and my responsibility is for policy coordination.

I would suggest that you need to think about the operation of Cabinet Office and the Premier's office just as any other ministry and to think of Cabinet Office as, if you like, the way that the deputy minister's organization and a civil service support organization would work. Just as in any other ministry, the correspondence function and associated support services would be provided by the public service side. In parallel with that, just as in any other ministry, Cabinet Office would provide policy support to the Premier and his office, communications support and advice, and that correspondence function, very much the same as any other ministry, and I think you'd find that to be common across government.

**Mr Peters:** But my question is that you already have a communications office in the Office of the Premier—and I hear where you are coming from—but we also have people in the Cabinet Office doing the same, communications support as well in the Cabinet Office.

I am trying to look at the actual cost of what it costs to do business of government and ensuring that budgets are properly allocated where they should be. My question is that you have a communications office, with a budget, in the Premier's office, yet you also have a communications office, with a budget, in the Cabinet Office. To me, the spending of the Premier's office is not accurately reflected in these estimates in front of us, because you're hiding Premier's office dollars in Cabinet Office when they should be truly allocated to the Premier's office.

**Mr Dean:** If we start with the Premier's office, there are communications support and staff associated with supporting the Premier directly in a media relations capacity and providing support directly to the media. If I can describe the Cabinet Office function this way, much as the policy function, it involves coordination of the work of other ministries, looking at cross-cutting issues

and opportunities, and very much is engaged with the effective management of government communications across the piece.

The Premier's office communications support, as I understand it, is much more internally focused and supports the Premier, although there would normally be some communications with ministers' offices and ministries.

Again, the best parallel I can draw is to a ministry, where there would be communications support in the minister's office and communications support on the public service side, and those functions would be quite different in nature. You'll appreciate, I know, that from the perspective of public servants and the public service, that support would be non-partisan in nature and administrative in nature and would involve ensuring that people adhere to the appropriate Management Board guidelines and to other requirements of doing business appropriately, whereas the support on the political side generally would be, if I can put it this way, of a more directly political nature.

**Mr Dunlop:** I don't think it's any different than what we'd see in any other ministry. The Ministry of the Environment, for example, would have their communications department, and the minister's political staff would have his as well.

**Mr Peters:** But I'm asking why we have two Premier's communications offices. You've got a Premier's communications office that's directly attached to the Premier, and you've got another one that's in Cabinet Office. I understand individual ministries having their own communications office. My question is, and I'm still not satisfied with the answer, why we have two Premier's communications support departments.

**Mr Dunlop:** Well, I thought he'd just clearly answered that.

**Mr Peters:** This committee is about accountability of public funding, and we're supposed to be looking and comparing apples to apples. I don't believe the way this estimates book is laid out accurately and truly reflects the expenditures of the Premier's office.

**Mr Dunlop:** Again, we'll try to get more clarification for that.

**Mr Peters:** I'll come back to that, then.

Could you please explain to me what this department is in the Premier's office? What is the department of people and team development?

**Mr Dunlop:** In the Office of the Premier?

**Mr Peters:** That's what it says in the 2002 phone book. It has a department known as "people and team development" located at 6340 Whitney Block. Could you please tell me what the people and team development office does?

**Mr Dunlop:** That does not exist any more.

**Mr Peters:** It does not exist any more?

**Mr Dunlop:** No, it does not.

**Mr Peters:** Could you please tell me when that office ceased to exist?

**Mr Dunlop:** In the last couple of weeks.



**Mr Peters:** And could you tell me what it did? If it just ceased to exist in the last couple of weeks, then that is part of the fiscal budget we're dealing with right here. We've got expenditures that were spent on people and team development in 2002, so people and team development was within these estimates. Could you please tell me what this department did, then?

1720

**Mr Dunlop:** Mr Peters, there were two people in the office.

**Mr Peters:** There were three people in the office, out of respect. There are three people listed in the government phone book for 2002.

**Mr Dunlop:** OK. I'm not sure what their actual—

**Mr Peters:** The 2002 official government phone book that we all receive.

*Interjection.*

**Mr Peters:** It's old? Excuse me. Somebody behind you just said, "It's old." Could you explain to me what "old" means?

**Interjection:** It's not the latest version.

**Mr Peters:** If there's a new version of this book, I would—

**Mr Dunlop:** That's the latest version. What I'm saying to you is that the people I've worked with in team development—it no longer exists.

**Mr Peters:** If not today, at some point could you table with this committee what people and team development did, how long the department was in operation, and how much money was expended on the people and team development department prior to its ceasing to exist a couple of weeks ago?

**Mr Dunlop:** The team development people would have existed since approximately mid-May of this year, 2002, and they were responsible for staff training and development in the Premier's office.

**Mr Peters:** Boy, they made the government phone book pretty fast. I'd like to know the history of the people in the team development department, please.

**Mr O'Toole:** Is all of Dalton's staff listed in that book?

**Mr Peters:** I believe so, yes.

**OK.** To move on a bit, the department of caucus and public relations—I can understand the caucus aspect of it, but could you please give me an idea of some of the public relations activities that this caucus and public relations department does?

**Mr Dunlop:** Basically, the caucus relations and public relations aspect relates to a lot of the work that I actually do as a parliamentary assistant. We work as a liaison between our individual caucus members. These gentlemen right here often come to me with an issue they might have with the Premier's office, because he may not always have the time to deal with them at that particular time. I try to work with the staff in the Premier's office to correct problems and to deal with issues that come before individual Progressive Conservative MPPs or government members and to deal with issues they would have

with the Office of the Premier. That could be a wide variety of concerns.

**Mr Peters:** So is this caucus and public relations similar to where we have to go to an MPP liaison? Is what you're saying that we have a special MPP liaison for government members and a different MPP liaison for the opposition and the third party?

**Mr Dunlop:** No. As the parliamentary assistant I deal consistently, at all times, with the MPP liaisons, the same as you would, if I have a problem with a minister's office and with one of our caucus members. I would assume there are people right in the Leader of the Opposition's office doing the same thing. I would expect that's probably true.

We used to have hired staff doing caucus relations. Specifically, you might have met Mr Weir and Mr Dyskra in the past, for example. We no longer have that position. As an MPP, I carry out those responsibilities.

**Mr Peters:** So this department no longer exists in the government phone book either. That's what you're saying?

**Mr Dunlop:** No. I'm caucus relations right now.

**Mr Bisson:** Is he in the book right now?

**Mr Peters:** No. Rick Dyskra is in it, though.

**Mr Dunlop:** Is Rick Dykstra's name in there?

**Mr Peters:** He's listed as the department head.

**Mr Dunlop:** He's no longer with us.

**Mr Peters:** OK. Could you please tell me how much money is spent, and where one would find this, on polling out of the Premier's office?

**Mr Dunlop:** I'll have the answer to that soon.

**Mr Bisson:** How much time is left, Mr Chair?

**The Chair:** There is approximately 12 minutes.

**Mr Dunlop:** I'm sorry, Mr Peters. No money has been spent in the Premier's office on polling.

**Mr Peters:** As you travel around the province, you see these signs. They're really starting to pop up all over right now, with "Ernie Eves, Premier" on the bottom of them. Could you tell me the budget for these signs?

**Mr Dunlop:** The signs you see, I believe, are specifically for Ministry of Transportation projects. They're consistent with what we've seen since 1995. We've spent a capital investment of about \$6.8 billion on highway road construction projects. Former Premier Harris had the same type of sign. It's been consistent over the years with different Premiers and different Ministers of Transportation.

I do not have the number available for the actual cost of the signs. Those costs would be absorbed by the contract number of that specific ministry. I believe it's the responsibility of the particular contractor to include it under a specific tender. It's certainly not covered by the Premier's office. It's consistent with what's occurred for years. I know when I was the reeve of a municipality at one point, and I think you also are from a municipal background, at times we even had our names on some of those provincial project signs.

I'm sorry, I've given you some wrong information. It's under the SuperBuild projects. SuperBuild covers the costs.

**Mr Peters:** I'd like to know how many Ernie Eves signs there are around the province right now, and how much it has cost to have those signs erected.

**Mr Dunlop:** We will do our best to provide you that information.

**Mr Peters:** Thank you very much. The Premier's office presents a number of scrolls and certificates for anniversaries etc. I'm certainly not being critical of it in any way. I think it's very important for the Premier to recognize significant events, so we can do the same thing as well, as individual members. Could you tell me what the annual budget is or where that would be within your budget—I guess on page 4—where scrolls and certificates etc would be found.

**Mr Dunlop:** The scrolls etc come from the Cabinet Office. Those would not be included in this budget.

**Mr Peters:** So you're saying they're signed by the Premier, they're delivered from the Premier's office, but the funding allocation is from cabinet.

**Mr Dunlop:** From the Cabinet Office, yes.

**Mr Peters:** Tours and public events: you have a department within the Premier's office that looks after tours and public events. Could you tell me how much, or where I would find it in this budget? I find it difficult to believe that touring and public events would be covered off in a \$112,000 budget that has been allocated for transportation and communications. Where are the costs of the Premier as he tours the province and appears at various areas? How much do we spend on an annual basis? Is that in this budget or is it to be found in another budget as well?

**Mr Dunlop:** The cost of his transportation would be included in the \$112,000. His employees would not be included in that. For example, there are people responsible for the Premier's tour and they would be included in the line at the top, the salaries and wages.

1730

**Mr Peters:** The Premier has an entourage who travel with him as he goes around. All those costs associated with those employees on tour are made up in salaries and wages—transportation and communications?

**Mr Dunlop:** Yes, they are. I'm sorry, not their salaries but their expenses would be.

**Mr Peters:** Their expenses come out of transportation and communications?

**Mr Dunlop:** Their transportation expenses.

**Mr Peters:** I would be curious to know how many kilometres on an annual basis the Premier would travel and how many municipalities the Premier would visit in the course of a standard year.

**Mr Dunlop:** I couldn't provide you with that information.

**Mr Peters:** I would be curious to know because I'm finding it difficult to accept the fact that it only costs \$112,000 to have the Premier tour the province and, as

well, cover the costs of his staff to do it. I'm wondering if those dollars are possibly in the cabinet budget again.

**Mr Dunlop:** I don't think any of them are in cabinet, but I can tell you that the security staff with him comes from the Ontario Provincial Police budget.

**Mr Peters:** I'm not questioning any of the security. I recognize the importance of the security travelling with the Premier. It's the support staff with the Premier. There's a driver and there are probably other individuals who go too. There are costs that are going to go with that.

**Mr Dunlop:** I would suggest there are usually at least a couple of people with the Premier, other than the security. The security, of course, would make up the bulk of the people with him at any given time. Again, security is covered by the Ontario Provincial Police; that's out of their budget.

As far as I know, the Premier has not left the country yet. This particular Premier has not left Canada. I think he has been down east one time.

**Mr Dean:** Just for clarification, I think when the question started it related to the tour component of—

**Mr Peters:** It started as a result of what I read in the phone book. You have a tour and public events department with six employees associated with that. My question began with, what is this tour and public events and is that all covered off in this \$112,000 we see in this budget?

**Mr Dean:** Just to clarify, the answer is that for the staff who support the Premier on tour and events, yes, that is the case. That is not to say that all the Premier's travel expenses would be covered within the \$112,000; some of them would be. When the Premier goes out on an event that's related to a ministry initiative or the launch of a ministry initiative, some of those costs may well be borne by the ministry. That perhaps is where some of your confusion may come from.

**Mr Peters:** Listed in the departments as well—I'll come back to that in a moment.

Could you please provide me with the cost of the most recent royal visit when Her Majesty visited? Where would the cost of her visit come from? Does it come out of the Premier's budget? What budget would pay for the cost of her visit?

**Mr Dunlop:** The cost of the Queen's visit came out of Mr Flaherty's Ministry of Enterprise, Opportunity and Innovation. I don't know if they would have those numbers finalized yet, but certainly that's the ministry.

**Mr Peters:** I was curious whether it was something that came out of this budget or exactly where it came from.

How much time do I have, Mr Chair?

**The Chair:** You have about three minutes remaining.

**Mr Peters:** There's been a lot of talk recently, and we've certainly heard questions in question period, about decisions that cabinet makes and this walkaround and signing a walkaround. Could you please explain to me in layman's terms, in terms the public would probably appreciate and understand, how a walkaround would be initiated out of the Premier's office, and how often we

see walkaround decisions made in the manner we've just witnessed over the \$10 million that was allocated to the sports teams?

**Mr Dunlop:** The Premier recently stated publicly that he will in fact tighten up the rules governing walkarounds so they will be done on a much more restrictive basis. In fact, in different governments in the past the walkaround process has been a little vague. I think some of the recent events—Premier Eves has stated that he would like to see that tightened up much more. I believe that in the future, cabinet ministers would only be allowed to have a walk-around type of signing of a particular cabinet document in the case of an emergency.

**Mr Peters:** This process being under review by the Premier's office right now, can you provide us with any information as to when the new rules regarding walkarounds will be in place?

**Mr Dunlop:** I can't say that specifically, but I will try to provide you with that information in a timely fashion, probably in the next couple of days if I can.

**Mr Peters:** I would appreciate that.

As parliamentary assistant, do you have any idea how often—I recognize the rules are changing, but prior to that, were walkarounds a common occurrence or are they a rare occurrence?

**Mr Dunlop:** My understanding is that it's a fairly rare occurrence, and I think the current Premier would like to see them done only on an emergency basis.

**The Chair:** You're time has expired, Mr Peters. Now to Mr Bisson, from the third party.

**Mr Bisson:** Thank you very much, Mr Chair. I really appreciate having the opportunity to do this on behalf of our caucus.

First of all, to the Chair and the clerk, I just want to put you on notice that I would appreciate your bringing translating equipment when we do these committees, especially when I'm around. I've got a number of questions that I want to ask in French; we don't have any translation for my colleagues or staff. Today I will do English, but just be advised: tomorrow, have all the French translation stuff here.

**The Chair:** For information, the point is made that it takes about 20 minutes to do that, so I guess that would effectively—

**Mr Bisson:** Well, I'm just thinking that to get staff to run around now—I don't know if Mr Rogers is prepared to do it. To run around for 20 minutes when we're going to be called in for a vote at about quarter to—

**The Chair:** I appreciate that. The committee is now on notice.

**Mr Wettlaufer:** Mr Bisson, I support you.

**Mr Bisson:** Thank you very much. So just make sure—

**Mr Dunlop:** I hope you don't want the questions answered in French.

**Mr Bisson:** Well, it would be hard for you to answer if you didn't understand what I'm asking. Tomorrow I'm going to have more policy-type questions, and that's why I need to have that.

A couple of direct questions here: something that's bugged me for a while is, how many people work for the Ontario government, at the end of the day? How many people work directly for the province of Ontario today? Ballpark. You don't have to give me an exact number.

**Mr Dunlop:** About 61,000 people.

**Mr Bisson:** So we have 61,000 people who work directly for the province of Ontario, for whom Ernie Eves is responsible.

**Mr Dunlop:** That's correct.

**Mr Bisson:** How many people would work through the other, as we call them, MUSH agencies: colleges, universities and others that are transfer partners of the province? Just give me a ballpark figure.

**Mr Dunlop:** That's a very difficult guess.

**Mr Bisson:** I'm looking at your staff back there. It's got to be double that, I would think.

**Mr Dunlop:** Oh, it's a lot more than double.

**Mr Bisson:** I would say it's double that, so roughly about 120,000.

**Mr Dunlop:** Don't quote us as saying 120,000.

**Mr Bisson:** It's got to be quite a bit. I just raise this to my colleagues across the way, because I think it's a bloody shame—the other day I had the opportunity to talk to a number of chief operating officers of various forestry companies that work and have plants in my riding. One guy has 400 people working in his plant is paid 300,000 bucks a year. Another is getting half a million dollars a year. How much is our Premier paid?

1740

**Mr Dunlop:** It's actually part of our standing orders booklet.

**Mr Bisson:** I realize that, but for the record, about \$140,000?

**Mr Dunlop:** I believe it's around \$140,000 or \$142,000.

**Mr Bisson:** In all seriousness, we should collectively give our heads a shake. I think it's unbelievable that somebody is in charge of a corporation that has 60,000 people working for them, has a budget of—what?—\$60 billion, and we're paying our chief CEO, our Premier, a hell of a lot less than some guy who is in charge of 400 employees. I wanted to raise that. I know you don't expect that from the opposition. I sometimes think it's amazing how much we beat each other up over what we pay different people. I think it's a bloody crime that we're not able to pay what that bloody job is worth.

For whoever aspires to be Premier, no matter what their politics are, it's a tough job. I look at the Premier I was there with, Bob Rae. He greyed in five years. I look at Mike Harris. He certainly greyed in the time he was there, for good cause, I would say. I would predict that Eves, with all the Brylcreem and everything else, will leave a greyer man at the end of all this. I just want to say up front that the rate of pay we pay these people is really a sad thing.

**Mr Dunlop:** The Premier's salary is actually in the last part of the blue book. As the Premier of the province,



he gets \$65,626 on top of his MPP's and his global budget.

**Mr Bisson:** So it's about \$140,000, something like that. Anyway, I just put it there for the record. You guys can use that some time as justification for giving him a raise.

Now let's get to the questions.

**Mr Chudleigh:** What about us?

**Mr Bisson:** It's just something that has always bugged me.

**Mr O'Toole:** We should get shares or options.

**Mr Bisson:** I've got a couple of questions I want to ask. I realize you can't answer them all today. If at all possible, can you come back with the answers tomorrow? It's fairly straightforward.

**Mr Dunlop:** We will do our very best. Mr Chair, do we actually have a response time tomorrow that we can use ourselves?

**The Chair:** Yes.

**Mr Dunlop:** So we will have as many of those answers in that response time—

**Mr Bisson:** There are just a couple of questions I want to go over and then I'm going to get on to some policy stuff.

There is some discrepancy about how many people actually work in the Premier's office. Can you give us the actual number? When I looked at the government directory and when I looked at the directory we have at caucus, the numbers are 47 or 43. What I want to know specifically is, how many people currently work directly for the Premier and are paid from his budget? The other thing I need to know is, how many people do you have on contract at this point? I'm sure from time to time you hire people on contract. Every Premier's office has done that. How many people do you currently have on contract?

**Mr Dunlop:** As we speak today—and as you know, people come and go and are hired at all times—there are 44 people and there is no one on contract.

**Mr Bisson:** Has there been anybody on contract since the time Eves has taken office?

**Mr Dunlop:** My understanding is there has not been.

**Mr Bisson:** None whatsoever? Are there any secondments now from various ministries, the Cabinet Office, whatever?

**Mr Dunlop:** Not right now, no.

**Mr Bisson:** And you haven't had anybody on secondment since Eves has taken office?

**Mr Dunlop:** Yes, that's my understanding.

**Mr Bisson:** There has not been?

**Mr Dunlop:** There has not been.

**Mr Bisson:** The other thing is, any consultants? That's the same thing as contracts, but no consultants?

**Mr Dunlop:** Right.

**Mr Bisson:** I just wanted to get that on the record.

I noticed something when I looked through your communications department. This is just a bugaboo of mine. I looked at your communications department—you have to make your decisions and live with them—and I see a

department of five people: director, deputy director, executive officer—so you've got three supervisors for two workers. It always bugs me when I see that. I wonder to myself why you need to have a director and a deputy director to direct what are essentially two staff people. What the hell is that all about?

**Mr Dunlop:** Which department would that be?

**Mr Bisson:** Communications: director, Rob Mitchell; deputy director, Jason Lietaer; executive officer, Denise Herbert. So I've got three management positions for what is essentially a writer and a special assistant. I look at all your staffing components and you have very top-heavy staffing. You have people at director and assistant deputy director levels, and then you have very few people who actually do the work. What the hell is that all about?

**Mr Peters:** It's all the cabinet office.

**Mr Dunlop:** No, this particular group are all part of the 44 who were included.

**Mr Bisson:** I realize they're part of the 44. My question is, why do you have people at those salary levels—the director, deputy director and executive officer? They are the people in charge, they are supposedly the management team, and then you have a department with two workers—three people to manage two people. It seems a little bit odd to me.

**Mr Dunlop:** I believe the people you've mentioned in fact cross over. That's their specific area, but I believe they work with other department heads and other ministers' offices as well.

**Mr Bisson:** But essentially you've got a communication department with two workers and you have three management people in there. I'm just saying, why do you do that? Are you trying to pay them more money? There's nothing else on a salary agreement?

**Mr Dunlop:** The intent is to look for the reductions in the Premier's office, as in any ministry or department we have here in the government.

**Mr Bisson:** You know where I'm going to come from. It's always the same. We talk about efficiencies, we talk about how well we can do things, and it seems to me that every time I look at these things in government—we went through it as well, so I'm not chastizing you guys; it's just a function of government and of any big bureaucracy, including the private sector. Whenever we talk about being a leaner, meaner machine, we tend to have fewer workers and more management people. I'm not too sure why you're doing that here, as the guys who are saying that you're the big fiscally responsible Conservatives. Why do you do that?

**Mr Dunlop:** I hope I've got this correct, Mr Bisson, but I think there is actually a total of seven people in that department. Those seven people are all part of the 44 I mentioned earlier.

**Mr Bisson:** So you're saying you have three management people for what is essentially four people? That's what I'm hearing you say. If I look at the other media stuff, if I add them up, it comes to the seven you talk about. If I go to media, you have a senior media adviser, a media relations coordinator—that's a fourth

management position for three more workers. It's kind of weird.

**Mr Dunlop:** My understanding is they help to co-ordinate communications in other ministries as well. They are paid by the Premier, but they would certainly work with ministers' offices in coordinating; not only the people in the Premier's office but helping in communications with ministers' offices as well.

**Mr Bisson:** I'm just making the point that either you're trying to pay these people more money than maybe they deserve, and you're trying to figure out how to do it, or you need a whole bunch of people to manage just a few employees, at which point—

**Mr Dunlop:** My understanding is they're not trying to create a highly paid job; I think they're needed.

**Mr Bisson:** Here comes the briefing, OK.

Let me go on to a policy thing. Recently the announcement was made in northeastern Ontario that the Ontario Northland Transportation Commission is being directed to start negotiations with Canadian National for what will be the divestiture of the entire ONR line, from North Bay all the way up to Moosonee, both rail passenger and rail freight services. I understand from conversations I've had with people in the ONTC—I'll just leave it at that—that there was a directive from the Premier's office that absolutely no staff are to lose their jobs as a result of this. I want to confirm if that is the case.

**Mr Dunlop:** I'm going to have to get back to you on the exact communications that were made on that. I don't have that.

**Mr Bisson:** There are a couple of questions I have around that.

**Mr Dunlop:** We'll try to get these straightened out as we go through.

**Mr Bisson:** I have a couple of questions around this policy decision. The Premier is directly related to it, because it's at the direction of the Premier that these negotiations have taken place, both the former Premier and this current Premier. I hear through the grapevine that Ernie has intervened and said, and good for him, that there should be absolutely no job losses as a result of the move from the public to the private sector. I want it confirmed if that in fact is the case.

The other thing I understand is that the Premier's office has given a directive that there is to be no loss of rail passenger service as a result of this transfer, if it should occur, if they're successful in the negotiations, that the government has put, by way of the Premier's office, a stipulation that there is to be no loss of rail passenger service by CN if they take over. Can you confirm that this actually is the case?

**Mr Dunlop:** We will try to deal with it.

**Mr Bisson:** I see we're being called for a vote, Chair. The bells are ringing.

*Interjections.*

**Mr Bisson:** OK, I'll just continue on the CN stuff. Specifically, what I want to know from you is layoffs and passenger rail service reductions. I understand the

Premier has intervened directly and has given direction to the ONTC that passenger rail service has to get better, not worse. They're not accepting—

*Interjections.*

1750

**Mr Bisson:** It's very difficult to speak here, with the Chair going that way, and—holy jeez.

*Interjections.*

**Mr Bisson:** How about, Chair, we recess so you guys can have a conversation?

*Interjections.*

**The Chair:** Your point is well taken, Mr Bisson. May I ask for order, please? We are still sitting in committee. We've ascertained that. I'll ask us to continue and it won't come out of Mr Bisson's time.

**Mr Bisson:** That's fine. So we're now going to the House?

**The Chair:** No, the House has adjourned and we are still sitting in session here.

**Mr Bisson:** Oh, since when did this thing adjourn at a quarter to?

**The Chair:** No, no, continue. The House is—

**Mr Bisson:** My only little problem here is I'm the whip, and I want to know what just happened.

**The Chair:** We are permitted to continue until 6 o'clock and I'm going to ask you to proceed.

**Mr Bisson:** Yes, just one second. What happened?

**Mr Peters:** I think it was just a quorum call. I'm not sure. The bells aren't ringing.

**Mr Dunlop:** They must have had a voice vote.

**The Chair:** Just to inform the committee, Mr Peters, they are adjourned but we are able to sit until 6 o'clock. I'll ask you to continue, Mr Bisson.

**Mr Bisson:** So that's from the Clerk's office, they've adjourned?

**The Chair:** It is, yes.

**Mr Bisson:** I was just wondering, as whip, what was going on.

OK. So on the CN stuff, as I said, there were those two points: job losses and passenger rail service.

The other thing I want to know specifically is that there were also some discussions I've had with people around the plan for the rail service from Cochrane up to Hearst. We have rail freight coming through there as it is now. Is it the intention—because that's one of the rumours I've been hearing—of CN in these negotiations to get the government to provide rail passenger services from Hearst down to Cochrane?

**Mr Dunlop:** Again, we will try. Just give us all—

**Mr Bisson:** OK, I'm just giving you the questions and I'm hoping you'll come back with the answers.

**Mr Dunlop:** That's great. We're going to do our very best.

**Mr Bisson:** A similar question with regard to the city of Timmins. In the current discussions that they're having—again, this is all speculation that I'm just trying to figure out—are there any plans in these negotiations to try to get CN to provide rail passenger service back into the city of Timmins? Just as an aside, it never made any

sense to me why Ontario Northland, which had the largest city other than North Bay, which is Timmins at 50,000 people, pulled the rail out. It seems to me that was a pretty good customer base to go and get passengers from.

The reason that's important, as you know, is that the government has embarked on a privatization initiative with CN, which I have great difficulty with. But I want to make sure that in this round of discussions, those issues that I hear the Premier saying he wants on the table are actually there, because we can't afford to lose those particular services.

**Mr Dunlop:** I'm curious. Have you heard contrary to these comments? I don't know. I haven't got the background. I will try to provide you with that tomorrow.

**Mr Bisson:** It's because I've heard from discussions I've had at the ONTC and other places, mainly First Nations communities, some discussions on both sides of this, that there will be no passenger rail service from Cochrane down to North Bay, and I want to make sure that's not the case. That's why I want those questions answered.

**Mr Dunlop:** OK.

**Mr Bisson:** Moving on to SuperBuild, another issue, the government announced with great fanfare a number of years ago the creation of SuperBuild. That particular program, as you know, has just finished this latest phase of project funding. Initially, when the government announced SuperBuild, First Nations communities were allowed to apply for infrastructure development. If a First Nation community wanted to build an arena or whatever it was they wanted to do, they were encouraged to apply. Somewhere along the line, the policy was changed for First Nations communities. At one point, it became very restricted as to what it was they could apply for to get funded.

It's not necessarily the provincial government's fault. I want this clarified. My understanding is that the federal government, the federal Liberal government—I just wanted to say that for my friend over there. You guys can check this out for me. Apparently, there was a directive from INAC, the federal department of Indian affairs, that they would not fund any new construction of arenas or multi-use facilities like a gym or whatever it might be for the purpose of recreation in those communities, and that the federal government basically kiboshed all the applications that came forward from First Nations communities in Ontario because they refused to put their share of money in.

If that's the case, and I understand that is the case, could you tell me and come back to me with some response as to what actions the government took to try to get the federal government to change that policy? We now have a number of communities that have spent literally thousands of dollars to build up applications in good faith. They were told that they can make the application, and they've been denied. Specifically, I've got Ogoki, and most people wouldn't know where that is: Marten Falls, north of Nakina by a couple hundred miles

in the bush. These guys basically have spent \$1 million of their Rama money in order bring up material, cement, steel, the whole bit, to build this arena, and they were looking at SuperBuild as the final part to be able to get the arena built. We're now in a position where they've been denied and we're being told the reason was that the federal government basically didn't do its part.

So do you want to come back with a rationalization of what happened when it comes to the application process of First Nations communities, unless you've got something now?

**Mr Dunlop:** Very briefly, my understanding of it as of right now is that certainly SuperBuild money has flowed in the past to First Nations communities. In fact, I have an application myself. My understanding is that all of the sports, culture and recreation portions of the Canada-Ontario infrastructure program were under the OSTAR SCTP. I didn't think it mattered whether a community was an aboriginal community or—

**Mr Bisson:** From the provincial perspective, you mean.

**Mr Dunlop:** From the provincial perspective. My understanding, though, as we speak right now, is that for all the applications in that that have not been announced, there is no more federal money for them. That is how I believe it is right now. But I will try to clarify that even more for you tomorrow.

**Mr Bisson:** I just want some sort of response on paper as to what actually happened. To be blunt, the First Nations communities are really upset. They're saying, "We spent a lot of money to develop our applications. What's happened here? Why weren't we told this initially?" So I'd like to have something from the province that explains it, something I can give to the communities and they can understand where they need to do the lobbying at this point. It seems to me we've got to get the feds on side.

**Mr Dunlop:** I believe what you're saying, because I have one in my own riding—and it's not Rama, because Rama's been a very fortunate First Nations community, the Mnjikaning First Nation. However—

**Mr Bisson:** Thank God for that NDP government.

**Mr Dunlop:** But the Beausoleil First Nation, which is the Christian Island and Hope Island portion of my particular riding, has an application in for a new community centre out on Christian Island.

**Mr Bisson:** Were they denied as well?

**Mr Dunlop:** We have approved it provincially, but it's not approved under the COIP, the Canada-Ontario infrastructure program.

**Mr Bisson:** So just your share has been approved.

**Mr Dunlop:** Our share, the one third share, has been approved.

**Mr Bisson:** I understand that if, in some cases, the community was able to come up with what would be their share and the federal share, the province would go ahead and do some funding. That's what happened to yours, I take it.



**Mr Dunlop:** I can't say for sure. Our share would have been for 33% on that particular project, and I'm not sure whether the federal government—

**Mr Bisson:** Just a question to the parliamentary assistant and anybody here: in the development of the SuperBuild criteria, you're now going to go to another phase. I would imagine that since there's an election coming, the government wants to be in a position to make some more announcements. You know, that's fair. Is the Premier's office playing a role in the development of that policy, the new policy under SuperBuild?

**Mr Dunlop:** My understanding is that there are no plans right now to expand SuperBuild as we know it under the sports, tourism and culture program. If it is, I think it would be planned by the Ministry of Tourism and Recreation, which has handled that file in the past. It's my understanding that the Premier's office is not involved in that right now.

**Mr Bisson:** So the Premier's office doesn't do any policy development on SuperBuild?

**Mr Dunlop:** Not on this particular file, no.

**Mr Bisson:** All right, let me back up, then. Am I correct in my assumption that basically all of the SuperBuild money is pretty well accounted for, right? It's allocated already?

**Mr Dunlop:** My understanding is yes, under the sports, culture and recreation.

**Mr Bisson:** And there are no plans for the government to have another phase to do capital infrastructure prior to next spring?

**Mr Dunlop:** I haven't seen that personally, myself. But I will try to answer that more accurately tomorrow.

**Mr Bisson:** Can you give me an answer, if you're planning to come back with something? Because you've got all these communities—aboriginal and non-aboriginal—that are looking at doing projects and they're sort of waiting for the other shoe to drop with whatever the next program is. So can you get back to me and let me know if in fact there is a plan for capital dollars available next spring?

**Mr Dunlop:** I guess what I'm getting at is that they have 33% of the money because they have, you said, their Rama money. That's part of the money that was allocated out of the gaming, their 35% of Casino Rama, the funding that was provided there.

**Mr Bisson:** OK, but you follow where I'm going. I'm looking at money for—

**Mr Dunlop:** Yes, whether there's a next phase.

**Mr Bisson:** Is there another phase? That's what I mean.

**Mr Dunlop:** You know what? My understanding right now is that the feds are not in.

**Mr Bisson:** I know the feds aren't in, but I thought we were doing another program. That's sort of the message I'm getting from people.

**Mr Dunlop:** We will make sure there's a clarification on that.

**Mr Bisson:** Yes, let me know, just so we know what to do with those particular organizations.

I'm going to come back to something Mr Peters raised, again a bugaboo of mine, and that's the scrolls from the Premier's office. At one time when the Premier, and rightfully so, would provide scrolls to constituency offices to present at various occasions, they provided a frame. One of the dumb things you guys did when you were government was get rid of the frame as a cost saving to whoever pays for it at the end. I know it's not the Premier's office; it's somebody else.

Can you guys look at that again and get the frames with the scrolls? It's so chintzy, quite seriously. Somebody is 100 years old, or it's a 50th anniversary or some community member is getting an award that's of some consequence, and here you are as a province showing up with a piece of paper. It's a very nice scroll, signed by the Premier, and there's no frame. What do we do? We all pay out of our pockets; I end up paying for your frame out of my pocket, and I'm getting tired of doing this. So tell Ernie to cough up.

*Interjections.*

**Mr Bisson:** Hell, no. If I had to pay it out of my global budget, I'm already in the hole, and I'd be even further—

**Mr Dunlop:** What you're saying is very consistent with what's happening in the Prime Minister's office, the Lieutenant Governor's office and the office of the Governor General.

**Mr Bisson:** I'm just saying it's a chintzy thing. You can blow your brains out to try to save a buck and be seen as being frugal. I just think we owe people the courtesy of providing them with something neat on those occasions. It's only me. This is not an official position of the party or anybody else. It just seems to me there are ways of saving money and there are other ways; to me, it's a little bit silly.

**Mr Dunlop:** I buy folders myself and put them in a nice folder. I wouldn't take in just a blank piece of paper either.

**Mr Bisson:** I'm just asking if you guys can look at it. I don't know how much that cost in the past. I'm sure you can go back and figure it out.

**Mr Dunlop:** I think the Board of Internal Economy would want to look at that.

**The Chair:** On that point, we'll adjourn for today and there'll be another six minutes of time for Mr Bisson to raise other vital issues. Thank you both for your co-operation today.

We will convene in room 151 tomorrow to enable the French translation service.

*The committee adjourned at 1802.*

## CONTENTS

Tuesday 22 October 2002

<b>Ministry of the Environment .....</b>	<b>E-221</b>
Mr Chris Stockwell, Minister of the Environment	
Ms Jan Rush, Deputy Minister, Ministry of the Environment	
<b>Office of the Premier.....</b>	<b>E-229</b>
Mr Garfield Dunlop, parliamentary assistant to the Premier	
Mr Tony Dean, Deputy Minister and associate secretary of cabinet, policy	

### STANDING COMMITTEE ON ESTIMATES

#### **Chair / Président**

Mr Gerard Kennedy (Parkdale-High Park L)

#### **Vice-Chair / Vice-Président**

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gilles Bisson (Timmins-James Bay / Timmins-Baie James ND)

    Mr Ted Chudleigh (Halton PC)

    Mr Alvin Curling (Scarborough-Rouge River L)

    Mr Gerard Kennedy (Parkdale-High Park L)

    Mr Frank Mazzilli (London-Fanshawe PC)

    Mr Norm Miller (Parry Sound-Muskoka PC)

    Mr John O'Toole (Durham PC)

    Mr Steve Peters (Elgin-Middlesex-London L)

#### **Substitutions / Membres remplaçants**

    Ms Marilyn Churley (Toronto-Danforth ND)

    Mr Joseph Spina (Brampton Centre / -Centre PC)

    Mr Wayne Wettlaufer (Kitchener Centre / -Centre PC)

#### **Also taking part / Autres participants et participantes**

    Mr Jean-Marc Lalonde (Glengarry-Prescott-Russell L)

#### **Clerk / Greffier**

    Mr Trevor Day

#### **Staff / Personnel**

    Ms Anne Marzalik,

    Research and Information Services

CA20N  
XC26  
- E77



E-11

E-11

ISSN 1181-6465

## Legislative Assembly of Ontario

Third Session, 37<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Troisième session, 37<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 23 October 2002

# Journal des débats (Hansard)

Mercredi 23 octobre 2002

**Standing committee on  
estimates**

Office of the Premier

**Comité permanent des  
budgets des dépenses**

Cabinet du premier ministre

Chair: Gerard Kennedy  
Clerk: Trevor Day

Président : Gerard Kennedy  
Greffier : Trevor Day





### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Copies of Hansard**

Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

### **Exemplaires du Journal**

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.



## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Wednesday 23 October 2002

Mercredi 23 octobre 2002

*The committee met at 1532 in room 151.*

## OFFICE OF THE PREMIER

**The Vice-Chair (Mr Alvin Curling):** Let's resume the estimates of the Premier's office. We have six more minutes for the third party. Mr Prue.

**Mr Michael Prue (Beaches-East York):** Mr Chair, you'll have to bear with me. I'm here for MPP Gilles Bisson until he arrives. He has a meeting with the Minister of Natural Resources and is expected momentarily.

I understand the questions that are allowed today have to do with the Premier's office and the decisions the Premier's office has made. In the six minutes, I wonder if you will allow this question. I am very curious as to the reports in the Toronto Star today about a leaked memo which was the topic of much discussion in question period. The Premier is not here, but I assume Mr Dunlop may be able to answer these.

I'm particularly interested in the statements made around the \$200-million loan to the city of Toronto a number of years ago and the fact that the Premier is now stating or is alleged to be stating that the city of Toronto will have to pay back that money with interest. Is in fact—

**Mr Frank Mazzilli (London-Fanshawe):** That's the wrong ministry. This is the Premier's office.

**Mr Prue:** It was a memo from the Premier's office. That's what is being alleged. Is that in fact correct?

**Mr Mazzilli:** On a point of order, Mr Chair: Certainly Garfield's here representing the Premier's office and these are estimates on the Premier's office. Any questions relating to \$200 million that the department of finance may have—we have the wrong ministry before us to answer those questions. I would ask for your ruling, that the questions be directed to the Premier's office and that we stay on estimates.

**Mr Steve Peters (Elgin-Middlesex-London):** On a point of order, Mr Chairman: Just to follow through on that, I'm looking for some direction from the Chair, because of the line of questioning that was allowed yesterday at this committee meeting. Even some of the comments the member made went well beyond the Premier's office. He talked about the whole scope of government initiatives.

**The Vice-Chair:** That's not a point of order. Actually I can't judge on yesterday's Chair. I wasn't even in the

Chair yesterday. But the fact is that if the parliamentary assistant wants to comment on that, it's sort of a stretch, I would say, to comment on something outside the ministry.

**Mr Ernie Hardeman (Oxford):** Mr Chairman, on a point of order: I guess this is to make me understand it, but I understood the purpose of these hearings for estimates was for everyone to have an opportunity to question the estimates before us, how they relate and how they can be explained.

Question period was held just a little while ago upstairs. This committee is not structured, unless I miss my guess, to redo question period but to deal with estimates as they are put before us, how they can be explained and whether the money was properly spent.

**Mr Mazzilli:** On a point of order, Mr Chair: I just want to touch on what Mr Hardeman said. I thought the purpose of this committee is to look at the estimates of the Premier's office and not outside the scope of the Premier's office.

**The Vice-Chair:** Let me just say this. Questions can be asked sometimes in very wide forms in estimates. I wouldn't say it is the same guided form as in the House. Many of the questions are being allowed because of the structure of the committee. As I said, if the parliamentary assistant wants to respond, that's fine. I also said that question is a little bit of stretch outside the Premier's office, to be answering about the loan to the city. If he chooses to answer that, I'm fine with that, but again I would say it's a bit of a stretch on that matter, Mr Prue.

**Mr Prue:** I understand, but I'm simply following through on the instructions I received from MPP Gilles Bisson, who said he was given a great deal of latitude yesterday to ask these questions. I sought instructions from him to substitute for him and he—

**The Vice-Chair:** Mr Prue, allow the Chair to say that I am not going to rule on what the Chair did yesterday. I am Chair today and that latitude I think went out with the last Chair. The latitude I'll use today is: do you care to answer the question, Mr Dunlop?

**Mr Garfield Dunlop (Simcoe North):** Mr Chairman, I appreciate the opportunity to respond. Certainly we did go beyond the scope of the estimates. If we have to spend five days talking about those three pages in the estimates book, it's going to be a very boring five hours of time. I can tell you that right now.

I don't have all the answers to all the questions that might come out of the Office of the Premier, which the

Premier may be more familiar with, but I would entertain the question and do the best I can on any of these questions. If I couldn't provide that answer for you today, Mr Prue, or to any other member of the committee, we'll try to do it for the next meeting so that we have as good an answer as possible.

**The Vice-Chair:** You've got a minute more to answer the question, whoever wants to answer the question.

**Mr Dunlop:** If I may, part of my response today—and I certainly have responses to questions that were asked yesterday that I told Mr Bisson and Mr Peters I would respond to. We have a number of those responses back today. I thought that's how we would carry on the committee—

**The Vice-Chair:** There are two ways you can do them. You can either table them—but again the minute is up, so therefore the time you had to respond on that is gone.

**Mr Mazzilli:** There you go.

**Mr Dunlop:** We'll get back to you with the answer.

**The Vice-Chair:** Now let me just say this. We've got 30 minutes on the government side. They can choose to allow you to do that response in your 30 minutes.

**Mr Dunlop:** Mr Chairman, if I may, I have a response in the 30 minutes and then I believe we're going into 20 minutes of questions and answers from each of the caucuses.

Mr Chairman, members of the committee and ladies and gentlemen who are here today, I'm very pleased to come again before you to continue the dialogue we started yesterday. As I pointed out a couple of minutes ago, I have some answers to the many questions I received yesterday from both Mr Peters and Mr Bisson, and I will get to them a little later.

I thought I'd use some of this time now to talk about the business of the Premier's office, because both Mr Peters and Mr Bisson expressed an interest in the Premier's office, particularly the staff of the Premier's office, and what they do on behalf of the Premier himself.

I confirmed for Mr Peters yesterday that the Premier's office is comprised of 44 staff members. They are included in six departments, which are: the office of the chief of staff, the policy unit, the issues management unit, the communications unit, which includes media relations, tours and public events, and the special projects area, which includes caucus relations. Of course that's what I mentioned earlier that I am part of.

1540

My friend the member for Timmins-James Bay, who's not here right now but will be shortly, made the observation that as an organization the Premier's office appeared to be top-heavy. My response to that observation is that it's been my experience that this is a staff made up of individuals whom I see as tireless workers, unquestionably dedicated and committed to the cause of serving Premier Eves in an effort to make our province an even greater province in which we can live and raise our families.

Whether it's the director of a department or support staff, many of the people are in before 7 o'clock in the morning and don't leave until the small hours in the evening. It's not uncommon to see them at work on weekends as well. This is a high-pressure job and it takes very energetic people to do that job, the people who work in the Premier's office. Quite frankly, this is a group that does not punch a clock at 9 o'clock and leave at 4:30.

As a member of this government since 1999, and as the parliamentary assistant to Premier Eves since April, I can say that I myself can't help but be energized by the commitment and dedication of the members of this team. I'd like to talk a little bit about the roles and responsibilities of each of the departments.

First of all, the office of the chief of staff: this department leads the Premier's office toward implementing the government's overall agenda through long- and short-term strategic planning and coordination. The office provides a one-window service to other members of the government team, treating all members with professionalism and respect.

It's been my experience that in any successful organization you need to have the right team at the top, and I have nothing but respect for the Premier and his chief of staff. I think a lot of you people in the room probably know Mr Steve Pengelly. The Premier and the chief of staff set the tone.

**Mr Peters:** Is that the same Steve who's referred to in these memos?

**Mr Dunlop:** No, there are two Steves.

They set the tone. They lead and provide vision and direction for government. I believe they are listening to Ontarians and responding to the priorities of the people. Those priorities of course, as we've said many times, are a quality health care system, excellence in our schools, clean air and fresh water.

Next is the policy unit. I call these people the deep thinkers in the Premier's office. The policy unit works with staff in ministers' offices and in Cabinet Office to develop analyses and provide advice to the Premier on various government policy initiatives.

In helping develop government policy, members of this team seek input from ministers and their staff. They seek input also from MPPs, industry stakeholders and, of course, the public. From clean water initiatives to finding ways to reduce traffic gridlock, the policy team is involved.

This summer, for example, they provided the framework for the Premier's agricultural round table where the Premier and Minister Johns met with 60 leaders in the farm and agri-food community from across the province to discuss a variety of issues and solutions. It's all about listening, consulting and determining the best course for the good people of our province.

The issues management department gets its, as we call it, motor running very early each morning, scanning the daily clips and transcripts and determining what are going to be the issues of the day. The responsibilities of this team are immense.



Staff prepare the Premier or his designate for question period. They need to know what the issues are, what the government is doing about them and how the government should respond to these issues. This involves intensive media monitoring, identifying all current and potential contentious issues, understanding stakeholder and opposition positions, and coordinating issues management strategies, tactics and materials among ministers' offices.

Information moves at such a dizzying pace these days, and with the media sophistication of special interest groups, it's necessary for all public and private sector organizations to devote sufficient resources to the area of issues management.

Much of the work this unit does is in conjunction with the communications department. Communications, including media relations, works with other departments in the Premier's office and Cabinet Office to develop long-term communications planning and actively manages communications activities. This department works with other ministers' offices in coordinating corporate communications, research and media monitoring, and manages all of the Premier's communications activities.

This government is proud of the programs and policies it has implemented. It's this department's responsibility to ensure that this is communicated to all Ontarians effectively.

The media relations unit is responsible for media planning, providing media relations advice to the Premier and other high-level staff, as well as acting as a liaison between the Premier and the media. That's the dictionary definition. In reality, these are the people on the front lines: the eyes and ears and very often the voice of the Premier's office. They are there with a tape recorder in hand as the Premier is swarmed by reporters outside a cabinet meeting. They are the ones taking reporters' calls at 9 pm or in the middle of a sunny Saturday afternoon, and they are the ones who accompany the Premier at many of the events he attends.

While this all might sound glamorous to the average person, I can assure you this is a rigorous assignment. You are sometimes in the centre of a media circus and this involves very long hours, intense pressure and attention to detail.

Next is the tour and public events department. These are very busy people. Former Premier Mike Harris travelled thousands of miles to fulfill his duties as the province's leader and to meet the great people of this province. Premier Eves has already embarked on a busy tour schedule as well. Tour staff plan, schedule and prepare itineraries for the many events that involve the Premier.

You can appreciate that the Premier of Ontario receives hundreds and hundreds of invitations to attend meetings, conferences and even anniversary celebrations. The Premier needs staff to pour through the requests, research them, check schedules and either accept or politely decline the invitations on behalf of the Premier. Once you do accept, that's when the real work actually begins.

Staff need to work out the logistics: where to hold an event, who will attend, travel and accommodation arrangements. Tour staff must also work closely with communications to ensure tour events are consistent with the government's overall plans and strategies, and that the needs of the local media are met as well.

I'm sure all members of this committee can appreciate that the success of a public event or meeting depends largely on the work that is done beforehand.

The last department I'll talk about today is special projects. One of the special projects is near and dear to my heart because I am directly involved, and that would be caucus relations. One of my roles as parliamentary assistant is to act as a liaison between the Premier's office and individual caucus members. This involves improving communications and ensuring members understand and contribute to the long-term agenda of the Premier and cabinet.

These are the roles and responsibilities of the departments within the Premier's office that hopefully provide you a little context in the estimates debate.

Looking back at Premiers' offices of previous administrations, the number 44 is not the smallest number; nor is it the largest. I think it is fair to say it's comparable to those under the Rae and Peterson administrations when you consider the growth of the province and the province's budget.

I might also add the Premier's office budget compares favourably to other provinces as well. Ontario spends less than our neighbour Quebec. It spends just a little more than the Premier's office in British Columbia yet serves a province with three times the population of British Columbia.

I mention this not to malign the records of others, but to reinforce my earlier point, that with the hard work, dedication and commitment to public service demonstrated by this Premier's office, I know Ontario taxpayers are getting very good value for the money they spend.

Let me repeat my words from yesterday noting that the estimated budget of the Premier's office has been reduced by about 5% over last year. This voluntary reduction of expenses reflects the government's commitment to providing Ontario taxpayers with more efficient and more effective government.

#### 1550

I want to switch gears a bit and talk about the results of this hard work, the record of this government and where we are headed. So with the time remaining to me this afternoon, I'd like to speak more about what actions this government has proposed taking, what it is already doing and what it has accomplished with its past efforts. My goal in doing so is to put the work of the Premier's office in context and to make it plain that the small expense it represents in an overall budget of some \$66.5 billion provides great value. The people of Ontario benefit directly from what the Premier's office does in pulling together the many different strands of government initiative and helping to braid it into a coherent whole.

What do I have in mind? I'm thinking of the Premier's promise to take swift, decisive action on issues related to

health care, education and the environment. Clearly, these are priority areas for the government and the actions we are taking that I'll describe a little later will prove it.

Ours is also a government that is deeply committed to promoting growth, creating jobs and increasing prosperity. Statistics Canada data tells the whole story well: 32,000 net new jobs in Ontario in September. What a great way to start a fall season, and it came after a great start to the summer.

In June the government tabled its fourth consecutive balanced budget, and that hasn't been accomplished since 1918. As we think of it, Ontarians were driving cars that needed a crank to start them up when their government last balanced its budget. Now, in the age of the gas-electric hybrid, we've done it again, and we're going to go even further down this road to better management of the province and its resources. Why? Because this is a government that has cut taxes 200 times since 1995. But we haven't dulled our scissors just yet. We've committed ourselves to additional tax cuts as soon as it's prudent to introduce them, and we will follow through with them as well.

Earlier on I mentioned we've adopted a leadership outlook on issues related to health care, education and the environment. Our tax strategy shows how we're putting money where it matters when it comes to protecting the environment. I have two measures in mind. One will provide an alternative fuel retail sales tax rebate to encourage the growth and use of hybrid sport utility vehicles and light trucks. We've also created an exemption for bio-diesel fuel from the 14.3-cents-per-litre fuel tax.

However, this is a government that is also concerned with the citizens of Ontario who may not benefit from such tax cuts because they lack the resources to buy and drive vehicles. I'm thinking here of the almost three quarters of a million—745,000 to be more exact—Ontarians of modest means who will not pay any provincial income tax at all. It's a population that we recently expanded to include another 50,000 low-income wage earners; of course, we did that in the last budget. It says a lot about the good this government has done that while we continue to maintain a balanced budget, we also extend a helping hand to those in our province who are looking to improve their lot in life. We're very glad to help them do that.

We're also glad to provide our most industrious and entrepreneurial citizens with the fiscal environment they need to remain effective in an incredibly competitive world. By 2006, as a result of our progressive efforts, Ontario will have a lower general combined corporate income tax rate than any of the 50 states in the United States of America. Not only that but our general income tax rate will be the lowest in our country.

Have you got more questions for me?

**Mr Prue:** I won't get a chance for awhile.

**Mr Dunlop:** These actions we're taking to keep Ontario's finances in good order have not gone unnoticed,

and this is something we're very proud of. Moody's Investors Service, to name but one example, has caught on to the success we're having in keeping our house in order. This year, during the leadership of Premier Eves, Moody's upgraded Ontario's credit rating. It's the third such upgrade for Ontario by a major credit rating service in the last two years. But here's what really makes the Moody's upgrade satisfying: it's their first since 1974. Can you imagine it's taken 28 years to do better than we were before? A long climb, to be sure, but well worth it when you consider what it will mean to managing Ontario's finances.

People would ask what we owe it to: four balanced budgets; a series of tax cuts to encourage growth and competitiveness; prudent, disciplined fiscal policy; and a willingness to keep on moving in the right direction when many around us have said, "Change the course."

We haven't changed course. We're still committed to strong, sound, long-term financial management of the province's resources, but at the same time we're also broadening our horizon, listening to the people, making inroads in improving outcomes in other areas of Ontario's management.

Take education, for example. Since Premier Ernie Eves took office, an additional \$560 million has been earmarked for educational purposes. And it doesn't stop there. Many parents and educators have expressed concerns about the education funding formula. As a former parliamentary assistant to the Minister of Education, I've heard those concerns over and over. Mr Prue and I have been at events together and have heard the concerns. We said we were listening, and we are listening. We said we will do, and we have done. We have appointed Dr Mordecai Rozanski to review the formula and provide us with an independent review of it.

I don't know if any of you gentlemen on the committee have had an opportunity, but I had an opportunity to meet with Dr Rozanski and had a very good meeting with him. He's a person who's very eager to listen to our comments. We of course are eager to get his report back later on this fall and have already expressed our willingness to amend the formula, if called to do so.

We also know there are significant strains on the post-secondary education system in Ontario as it prepares itself to accommodate the double cohort. Those institutions will be receiving an additional multi-year operating funding increase of \$368 million by next year to meet increased enrolment needs. It seems like just yesterday—Monday, October 21, actually—that we confirmed a \$40-million investment in upgrading facilities at colleges and universities.

Our post-secondary students are the future leaders of Ontario. They count. They matter. They are why 23 SuperBuild projects are underway to create spaces for more than 22,000 new students right now. They are why we have increased investment in research to attract and retain the best faculty so that they will get an excellent education and so that some of them will return to teach in our institutions of higher learning. By doing so, they'll



bring along the next generation of leaders right here in our province.

There's more. Just as our tax measures are designed to meet the needs of those who are affluent and those who are not, so too are our education initiatives; as an example, the student opportunity trust fund will give 400,000 students who have the smarts but not the money to get into higher learning the opportunity to do so. Dreams of a post-secondary education shouldn't stop at the door of a college or university because of empty pockets. We're doing what we can to make sure it doesn't for as many students as possible.

We're doing much more on other fronts as well. I'd point out health care. That's a volume unto itself, but I'll sketch it out in two words—"more" and "better": more MRI machines operating more hours; more nurse practitioners to offer more care in more communities—117 more in fact. These will be among the most positive points in the legacy of this government that I have the honour of representing.

So too will our commitment to ensuring Ontarians have the cleanest and safest drinking water in the world. We've committed to implementing all of Justice O'Connor's Walkerton recommendations for improving our water system. Forgive the pun, but it's full steam ahead on that project: rigorous standards, strict enforcement, a sustainable water and sewage system.

The new legislation is being introduced. The new initiatives are underway. It's on track and it's consistent with everything else we're doing to keep this province on track: like ensuring that the most vulnerable members of our society have access to legal representation, like giving agricultural workers the right to associate, like measures to cut red tape and improve government efficiency, like protecting consumers/victims, children and the people who use our roads and highways.

1600

Our goal is to foster the continued development of a prosperous, healthy, well-educated, safe Ontario, a province where people don't just dream about the lives they want, but live the dreams they have. That is our goal. That is the goal of the Premier's office, whose estimated expenses we are here to review. It is a worthy goal and I am proud to be a part of the government that is making it happen. When we continue the process of looking at what this office will spend and what it will deliver, let's keep these ambitions and these achievements in mind.

It's the job of this committee to give these estimated expenses a thorough and meaningful review to ensure that the people of Ontario are getting their money's worth, to apply its powers of scrutiny and oversight but to do so fairly and with good judgment. That is what I, as the designate of the Premier, would ask you to keep in mind as we go through the process: to be fair, focused and aware of the good that this government and this office have done for our province and for our citizens by taking a position of leadership and acting on it.

To close, let me just say that I have represented the riding of Simcoe North since June 3, 1999—and a number of us in this room are newcomers here as well—and have been proud to be part of a government team that has continued to make real improvements in peoples' lives every day.

I entered public life more than 20 years ago in municipal politics and did so because I felt I could make a difference. I never, ever dreamed that I was going to be around for 20 years when I started; I thought I'd only do one term. Now we're walking the halls of this great building, and I think everyone that's ever been elected as an MPP must take a great deal of pride in the fact that you are here representing the people. They've sent you here and it is an honour.

I have the same purpose and feeling and look forward to the future and watching my children. I now have two little granddaughters and I want them to grow and become active members of a province that has great economic development, a great health care system and a clean environment. I want other people's children, all of our citizens of our province, to grow up in that same environment.

With that, I appreciate this opportunity for the response and I look forward to the question and answer period as we go through the rest of this process in the estimates committee.

**The Vice-Chair:** Thank you, Parliamentary Assistant. I'd hoped that you would have made that long dissertation available to us. I hope we'll have those kinds of notes.

We have about six more minutes to go. Mr Mazzilli, you wanted to comment?

**Mr Mazzilli:** Sure. Mr Dunlop, I just want to congratulate you on a job well done in delivering an overview of what the Office of the Premier is charged with. It's amazing, when you look at all the policy, that a mere 40 people can do all that work. As you said before, those people certainly show up early in the morning and you wonder if they can ever go home. As for your part, the Premier is very lucky to have you as a parliamentary assistant and the people of Simcoe should be very proud.

I'm just wondering, on the targets of new jobs created—I know we're almost to a million, but is there a more aggressive target being set by the Office of the Premier?

**Mr Dunlop:** I don't know if there's a limit. I think our goal when we came here was to increase the quality of life for the citizens of this province and to create investment in our province, to create a climate where people would come in from all over the world because we are a society made up of multiculturalism.

**Mr Mazzilli:** I guess that was my point. It was obviously the tax cuts that created those jobs. It's tax cuts that continue to create those jobs. Are we still going to be going down a path of cutting taxes to encourage economic investment in our province and to create jobs? Is that still part of the ongoing program?

**Mr Dunlop:** I believe that the Premier and the Minister of Finance have that in mind as they look toward



future economic statements and budgets down the road. I also know that they want to make sure that we have investment in our health care system, investment in our education system and the type of money that's required to keep our environment clean, along with all the other ministries that require assistance.

I was trying to get some briefing notes just yesterday on transportation, because I was up in Sudbury on the weekend and I was noticing how much road construction was on, occurring between Sudbury and Port Severn, which is just on the edge of my riding—phenomenal construction.

I went back to MTO, and since 1995 they've spent \$6.5 billion in road construction in the province of Ontario. That's made up of an assortment of projects right across the province.

By the way, Mr Peters, I don't have the number assigned to the cost of those signs yet, but we are working on them. It was interesting because Mr Peters brought up the question just yesterday about these road signs with Ernie Eves's name on them and how much do they cost?

**Mr Mazzilli:** They didn't cost \$3 million.

**Mr Gilles Bisson (Timmins-James Bay):** The stupidest thing we ever did was not put them up for ourselves.

**Mr Dunlop:** Put our own names on them in our ridings.

The fact is, though, is there are a lot of those construction signs across the province and they do have the—

**Mr Mazzilli:** The one thing I'm really proud of, certainly, is that Premier Eves and the office put a lot of emphasis on the environment, clean drinking water and infrastructure. I couldn't believe this morning when I read the newspaper that the federal Liberals have done nothing on the environment for 10 years, which shouldn't be a surprise, because they've done nothing on anything else for 10 years. They spend \$90 million annually on cleanup, and \$90 million, when you look at all the military sites—to leave that ongoing and not done is something that's irresponsible.

I just wonder if you could elaborate on what the Premier's intentions are with Justice O'Connor's recommendations.

**The Vice-Chair:** You only have one minute to elaborate.

**Mr Dunlop:** I'd like to go into this a little bit later on as well, but I just want to say that the intention of the Premier is to implement all of the recommendations in Justice O'Connor's report as quickly as possible. I think we've made that commitment to the municipalities in the province and want to work in partnerships with the municipalities and hopefully the federal government and some of the Canada-Ontario infrastructure programs as we try to implement those recommendations in our great province.

**The Vice-Chair:** Now, in the rotation we're going 20 minutes. Mr Peters has 20 minutes, the official opposition.

**Mr Bert Johnson (Perth-Middlesex):** On a point of order, Mr Chair: Could you turn that blue off? It's bothering my eyes. How long will it take to turn it back on, if and when somebody wants to—

**The Vice-Chair:** That is not a point of order, but I presume it can be turned off.

**Mr Bisson:** We could make it orange for you, Burt. That will be much more pleasing to the eyes.

**Mr Peters:** I hope this isn't cutting into my time, Mr Chairman.

**Mr Dunlop:** Do you want it turned off? I don't know how to turn it off. Do you just unplug it?

**Mr Peters:** Mr Dunlop, could you tell me what a blue note is? I was reading this document that doesn't exist but does exist, this confidential advice to the minister. There's a couple of times in it that the minister was provided with a blue note. Could you tell me what a blue note is?

**Mr Dunlop:** In part of the cabinet submissions it's a briefing note. I can't see there now because Art's in the way, but it's a standard document that's provided to cabinet ministers for briefing purposes.

**Mr Peters:** This afternoon in the Legislature, in response to a question, the Premier made reference to attendance being taken in the Legislature, that attendance is being taken. Could you please tell me whereabouts in the Premier's office the attendance-taker is located and how much we pay for a person to take attendance, and will you table the attendance that's being taken in the Legislature?

1610

**Mr Dunlop:** I think the only attendance we take is through the whip's office. I'm not familiar with any—

**Mr Peters:** The Premier alluded to attendance is being taken in observing our record in the House. So I'm wondering if you can tell me how much we're paying the person to take attendance, and table the attendance records, please?

**Mr Mazzilli:** I do it all the time.

**Interjection:** That's individual members.

**Mr Peters:** No, but he made reference to us, that we're being watched.

**Mr Dunlop:** If I may, Mr Peters, just to elaborate on that a little bit, we have in fact whip sheets. We take attendance at least three times a day from all of our own members just to see who's in the House, and that's part of the—

**Mr Bisson:** You guys are mean.

**Mr Dunlop:** Well, no. We want to know how many of our members are there and we have records for attendance.

**Mr Peters:** The allusion, though, was that our attendance is being kept. If I get up to leave the Legislature to go to the washroom, my attendance could be missed. I'm concerned about that.

**Mr Dunlop:** In the past, Mr Peters, we have in fact taken your attendance as well.

**Mr Peters:** Yes, I thought so, but if you could let me know how much we pay the attendance-taker—

**Mr Dunlop:** It would be a member in the whip's office.

**Mr Peters:** Well, the Premier talked about it.

**Mr Dunlop:** I can elaborate on that later.

**Mr Peters:** My next question concerns—late last spring I was at a conference in St Catharines and Minister Tsubouchi, Minister of Culture and Chair of the Management Board, made an announcement to the Ontario Association of Archivists about a SuperBuild application that would be approved would help us do a better job at preserving the records of the Ontario Archives. I looked today on the SuperBuild Web site and I have yet to see an announcement, so I am just curious to know when a public announcement will be made so that we ensure that those funds are allocated to preserve the historic records of our province. He publicly stated it, but I have yet to see anything on a SuperBuild Web site.

**Mr Dunlop:** I know you have a great deal of interest; I believe you had a private member's bill on archives, did you not?

**Mr Peters:** No, that's Bert's.

**Mr Dunlop:** Oh, I'm sorry, it was Bert. But I think—

**Mr Peters:** Mine's on the gravesites of former Premiers.

**Mr Dunlop:** I remember you speaking on behalf of Mr Johnson's archives private member's bill. I think it was a year and a half ago or so. I'm not familiar with that particular project, an application into SuperBuild, but I would be pleased to find out from Mr Tsubouchi's office where that stands.

**Mr Peters:** Thank you.

Mr Bisson talked about SuperBuild yesterday as well. On September 10, Minister Tsubouchi and former Minister Jackson sent each of us an update on our SuperBuild applications within our ridings: what was approved, what was not approved, including correspondence that went to various municipalities saying whether their applications were approved or not approved.

I placed a request in the office. I wanted to know province-wide, riding by riding, how many SuperBuild applications had been approved and how many had not been approved, and where etc. I was told that I'm going to have to FOI this information. To me this is public information, and quite honestly, I'm getting sick and tired of being told to request through the freedom of information act information that I believe should be available to the public.

I can table with you a copy of the "Dear Colleague" letter that was sent out with a breakdown of my riding of Elgin-Middlesex-London. My request was, I would like to know detail province-wide, who got what?

**Mr Mazzilli:** On a point of order, Mr Chair: Once again, there's certainly lots of leeway here but—

**Mr Peters:** You crossed the line.

**The Vice-Chair:** What's your point?

**Mr Mazzilli:** Point of order. There's lots of leeway. It is the Office of the Premier, but we are doing estimates here and for a member to ask for the parliamentary assist-

ant to the Premier to table a list of SuperBuild, which is not this ministry, is totally inappropriate.

**The Vice-Chair:** That's not a point of order.

**Mr Bisson:** Just very quickly, I support the questions he has. He is perfectly within his right. The Premier does policy; you can ask anything you want of this committee.

**The Vice-Chair:** That wasn't a point of order, but proceed, Mr Peters.

**Mr Dunlop:** For Mr Peters's sake I will try to get the information—

**Mr Peters:** It was a letter dated September 10 from Tsubouchi and Jackson, and the letters that went to the respective municipalities are also dated September 10.

**Mr Dunlop:** You're also referring to—we consider SuperBuild all capital projects, but are you referring to just OSTAR—

**Mr Peters:** I'm particularly interested in sports-culture-tourism partnership initiatives.

**Mr Dunlop:** We'll see what we can find out for you on that particular issue.

**Mr Peters:** Thank you very much.

You talked in your presentation about the issues management department and how hard they work, how early they're up and how late they work. Could you tell me what the budget is for how many people who get up early and stay up late to read newspapers and how much we pay somebody in this province to read newspapers to stay on top of issues?

**Mr Dunlop:** I don't have the exact number on that.

**Mr Peters:** I'd like to know how many people we pay to get up early to read newspapers to be prepared for question period.

**Mr Dunlop:** Just give me one moment here.

**Mr Peters:** Along a similar vein with that question, could you tell me how many people and how much we pay for people to walk around with tape recorders and record the words of the Premier? I would like to know, if those tapes are subject to a records retention bylaw, how long we preserve those records.

**Mr Dunlop:** The majority of the staff in the Premier's office earn between \$35,000 and \$95,000. I don't know the exact—

**Mr Peters:** I'd like to know how many specifically get up early and read newspapers. You said it; you described the issues management department.

**Mr Mazzilli:** That's one of the jobs.

**Mr Peters:** And he made the comment about reading newspapers and scanning issues.

**Mr Dunlop:** I didn't have the breakdown going that far. Just give me a moment and I will try to do that for you.

In issues management there would be two people doing that particular job. I don't have their salaries right now, but I can tell you there are two people.

**The Acting Chair (Mr Steve Peters):** And from the chair—which I shouldn't be doing, but I will—I understand you can't give specific salaries, just the ranges. Mr Curling.

**Mr Alvin Curling (Scarborough-Rouge River):** Initially, I should say to the parliamentary assistant, who I know is a hard-working, very respectable and honourable man in this House, that I want to express my disappointment that the Premier is not here. This is the first opportunity—

**Mr Mazzilli:** On a point of order, Mr Chair: The Premier is represented here, so I think the Premier is here.

**Mr Curling:** That's not a point of order. I'm expressing my view—

**The Acting Chair:** He's just making a comment. He's expressing a viewpoint.

**Mr Curling:** I am saying that this would be the first estimates where we'll have the Premier accounting for his budget, and I'm disappointed. I know you may do an excellent job on this, but I'd like to ask at the time of estimates how the Premier feels about some of these estimates and the expenditures. Some of the questions that were asked before weren't answered. I also want to express my disappointment that at the first estimates for the Premier he's not here.

You know how wide this portfolio is. It covers all the ministers. It seems to me too that this portfolio is directed by the press. I heard you say you spend most of the time monitoring the news and then maybe you will react to the news afterwards. It's unfortunate that the province has to be directed by the press more than some strong leadership within the—

**Mr Mazzilli:** No, we're—

**Mr Curling:** Would you give me my opportunity, Mr Mazzilli. Thank you.

This government seems to be reacting to the press more than showing some good leadership, where it's coming from. I would like to have that budget, how much is spent in doing that itself. What is the advertising budget of the Premier's office?

1620

**Mr Dunlop:** The Premier's office spends no money in advertising.

**Mr Curling:** None at all.

**Mr Dunlop:** No.

**Mr Bisson:** They've got ministries doing that.

**Mr Curling:** The ministries do it for him, more or less.

**Mr Dunlop:** Ministries spend their own money, yes.

**Mr Curling:** For the Premier.

**Mr Dunlop:** Yes.

**Mr Curling:** I see. The Premier's office is also responsible for all of his ministers and responsible for all the documents that come out of cabinet. How many leaks have you had since—I heard the Premier commenting about the leaks coming out of cabinet and all that kind of stuff. How many leaks have you had since the new Harris-Eves government has taken over?

**Mr Dunlop:** First of all, let me comment on my particular role here, and then I can just go into the leak portion.

As far as I know, particularly with Premier Harris and I believe Premier Rae before him—I don't know of any time when a Premier has actually attended the estimates committee. I may be wrong on that.

**Mr Curling:** You're different; your government is different.

**Mr Dunlop:** We like to think we're different.

**The Acting Chair:** Come on, give him an opportunity to respond.

**Mr Dunlop:** Certainly Marilyn Mushinski and Mr Clement before him represented Premier Harris at the estimates committee. I understand we're asking a lot of questions about a lot of different issues in this committee, and I certainly don't mind trying to answer those questions to the best of my ability. If I can't, I'm going to get the information for you to the best of our ability as well.

Part of the reason there is a parliamentary assistant in any of the ministries, and particularly this ministry, the Premier's ministry, is that he is the busiest member of cabinet by far, and he's got a dual role as the role of Minister of Intergovernmental Affairs. With that, he has a very busy schedule.

We are expected, as parliamentary assistants, to attend meetings like this, events for the Premier, representing him sometimes on a talk show or sometimes at a special meeting, an announcement or a banquet, and we're proud to do that. I am very proud to do that because I've been a strong believer in Premier Eves since—

**Mr Curling:** In the meantime, I just have a short time and you've got a lot of time. I understand. You're doing an excellent job, a wonderful job.

**Mr Dunlop:** And you are too.

**Mr Curling:** But this is the Premier's job. One of the most important things is to defend his estimates—any minister to defend their estimates and tell us what motivates them and why they're spending this. I'm disappointed that I'm not having that opportunity to ask the Premier that.

But let me ask you another question and I hope you can get the answer for me. Is the Premier's office, or the Premier himself, responsible for some of the appointments to agencies, boards and commissions and what have you? Does he play a role in this to get some appointments on boards, commissions and agencies?

**Mr Dunlop:** I'm just getting help for you on that. You mentioned that before—while we're getting this information for you, I just wanted to point out that I'm not aware of how many leaks there were or how you would even determine a leak in the Premier's office. You had mentioned that—

**Mr Curling:** Most of them came out before it was really due.

**Mr Dunlop:** I didn't give you an opportunity to respond to that question earlier that you had asked and I wanted to get that.

**Mr Curling:** You see, Mr Dunlop, the problem we have here is that these are questions the Premier could answer. If you were the Premier, I know you would have answered in an excellent manner because you would



know what goes on first-hand. Because the Premier is not here to defend his estimates, we find it's uncomfortable, and I'm sorry to put you in that uncomfortable position, but we had hoped that the Premier would be here.

You don't have to give me the answer now about the leaks and all that, but each day I'm in the House, I'm hearing that leaks come out. Some leaks are deliberate, it seems, and some are somehow, "Whoops, that was accidental" and all that kind of thing. But there are too many leaks coming out and I wonder how a government can operate like that. If the Premier is in charge and responsible for his portfolio, that shouldn't be happening.

When you get an opportunity, I'd also like you to tell me how many appointments were by the Premier, from his office, of people who serve on boards, agencies and commissions, to see if he plays a role in that. I'd like to know that.

*Interjection.*

**Mr Curling:** There seems to be another Premier over here, though.

**Mr Dunlop:** I've got some notes on that, Mr Curling.

**The Acting Chair:** Please continue, Mr Dunlop.

**Mr Dunlop:** OK. Appointments made by the government are based on our full confidence in the candidate fulfilling the job, with the proper experience, background and criteria necessary to do the job. They have to have the criteria to do the job, first of all.

**Mr Curling:** So you're saying the Lieutenant Governor gets some folks and appoints them to these boards and agencies, without any sort of help at all from the Premier.

**Mr Dunlop:** The Lieutenant Governor doesn't do it, no. They're appointed here at this committee.

**Mr Curling:** I'm sorry, I thought you said "appointed by the government."

**Mr Dunlop:** Are we talking about provincial appointments on boards?

**Mr Curling:** Very much so, yes. We're talking about provincial appointments to boards, agencies and commissions.

**Mr Dunlop:** The final approval comes from the government agencies committee right here.

**Mr Curling:** But I just want to know if the Premier's office plays a role in it.

**Mr Dunlop:** Only when it goes through council, when it goes through the cabinet.

**Mr Curling:** They all go through cabinet after a time.

**Mr Dunlop:** Yes.

**Mr Curling:** But initial appointments—

**Mr Dunlop:** Are you asking whether the Premier appoints the people?

**Mr Curling:** If he plays any role in any of the appointments to those boards.

**Mr Dunlop:** Mr Curling, in an average year there are 2,300 appointments made. That's about an average in Ontario. While numbers change each year, this number is certainly comparable with the number of appointees made by other governments, including the Mike Harris government, the Bob Rae government and the Peterson

and Davis governments before him. On the over 600 agencies, boards and commissions that exist in our province, with a current membership of about 4,500 people, the opposition claims to have found 55 people who have served in some way for the Conservative Party. I think that's what you were getting at last week, when some of the provincial candidates who ran for the Conservatives over the years had run. That's why you are bringing this up now?

**Mr Curling:** I wasn't really getting at that. I just wanted to know what role the Premier's office plays in getting people on boards and commissions.

**The Acting Chair:** you have one minute left.

**Mr Dunlop:** What is the committee? The committee does that.

**Mr Curling:** Within that minute I have, let me just say that I know the Premier's office has a wide array of things that they handle. The fact is that we talk about this diversity in our province, and I'm saying that they can play a very important role here. I'm not seeing some of those boards and commissions reflective of the kind of Ontario we have. I know that the Chairman is going to delay my answer here because he thinks my minute is up. No? Good. But the fact is that if he plays a role, why is it we are not seeing the real Ontario being reflected in the boards, commissions and agencies around the province? If he's not playing a role, I'd like to know.

Last, I'd like you to present your opening statement to us so we could have that.

**The Acting Chair:** Unfortunately, unless he chooses to answer when it comes to the government's time, your time is up.

**Mr Hardeman:** On a point of order or privilege, Mr Chairman: We've had quite broad latitude on what we're discussing here, and I wondered how far that latitude goes. We've had considerable discussion about the number of people and what they do for the Premier's office as they do their day-to-day work. I wonder if members of the committee could also provide the committee with information on the Leader of the Opposition so we could have that same comparative to see whether this is an appropriate expenditure of taxpayers' money.

**The Acting Chair:** Mr Hardeman, we're dealing with the expenditures of the Premier's office right now.

**Mr Hardeman:** I'm not arguing that.

**Mr Curling:** On a point of order, Mr Chairman.

**Mr Hardeman:** This is my point of order, Mr Curling, thank you very much. I'm not arguing about whether, under the estimates process, we have a right to that information, but I think we've been dealing in the last 20 minutes quite extensively with things that have absolutely nothing to do with estimates. The process of appointments is not estimates of expenditures. It was quite clear as to how many people were appointed, but how they are appointed is not necessarily part of the estimates. I'm just wondering if this information is available, because I think it would be quite helpful for comparative purposes on these estimates to know whether the opposition is spending similar types of

money for similar types of purposes. Obviously there are some similarities in the job so I think it would be quite helpful to us, in deciding on these estimates, if we could get that information from the other parties as to how much taxpayers' money they're spending for the same purpose.

**The Acting Chair:** Thank you. It wasn't a point of order.

1630

**Mr Curling:** On a point of order, Mr Chairman: If you had listened to the opening statement of the parliamentary assistant, the wide array of things he talked about, from education to all over, he said we have the Premier sort of quarterbacking all of that. If the honourable member is saying we can't ask questions now on those things he is quarterbacking—if they are presenting a flimsy couple of lines here, with no explanation of it all, I'm going to put words and motions to these figures. There's nothing there, so therefore we have to ask—

**The Acting Chair:** The parliamentary assistant has done a very good job of dealing with the wide variety of questions that have been asked, and he's been very good about providing answers as well.

**Mr Mazzilli:** On a point of order, Mr Chair: Certainly we all had the opportunity to pick which ministries we were going to bring to estimates. Obviously, the Premier's office is the smallest ministry to do. I suppose the opposition picked the Premier's office, with three flimsy little pages, because they didn't want to go through a difficult ministry. So that's what you have before you, an office that has estimates of three pages.

**The Acting Chair:** Thank you for your comments. Let's continue. We'll move now to the third party.

**Mr Bisson:** Thank you. It's just so nice to be back.

A couple of things. I had asked Garfield yesterday if he could answer some of the specific questions I had. Was that tabled earlier?

**Mr Dunlop:** No. I was waiting till you got back.

**Mr Bisson:** OK. And you can answer those? I wonder if you can go through and answer those questions I asked yesterday, if you could start with that.

**Mr Dunlop:** One of the things I'd like to go over—because certainly it's something that's near and dear to your heart and to every northern member, as well as everybody who's interested in the future development of the north, and that's pretty well every MPP in the province—was your comments on Ontario Northland. I've got a few comments for you. I haven't got the Cochrane information for you but I'm trying to—

**Mr Bisson:** Can you table that after?

**Mr Dunlop:** I will be happy to, yes.

With respect to the question you raised yesterday about the ONTC, I'd like to take this opportunity to provide you, Mr Chairman and members of the committee, with a response to that. The thing that I think is the key part here, Mr Bisson, is that our government stands by our commitment to the service improvement plan of Ontario Northland, and that would be job protection,

economic development and service improvement. With any agreement that's being made, those would be the three priorities. The Premier has made this commitment clear, and a promise made is a promise kept as far as our government is concerned. Again, just to clarify, the job protection, economic development and service improvements will all be part of any service improvement plan made between the ONTC and any other—

**Mr Bisson:** But can you confirm what I had asked yesterday, that rumours are that the Premier's office has basically given an edict that there are to be no job losses from the current levels at the ONTC?

**Mr Dunlop:** That's what it says and that's what we're saying: job protection is included. That does not mean job reduction.

**Mr Bisson:** OK. I just wanted it in clear English.

**Mr Dunlop:** I understand how important those jobs are to the north. We see the different issues that arise from different ministries, and sometimes they're very controversial. I know jobs are always at stake, whether it's a mine or a landfill site or whatever it may be. It's always a concern.

Time and time again, our government has heard that the status quo is unacceptable on Ontario Northland. We believe that the ONTC clients, both passengers and businesses, will expect top-line service, and quite frankly, they deserve that in the north. When we were doing the Premier's task force on rural Ontario, I think you visited some of those meetings. We heard over and over again about the importance of economic development in northern Ontario.

Our government recognizes the special importance of rail services and intends for these to continue and to be improved upon. That is why we have announced that ONTC has entered into exclusive negotiations with CN Rail. The CN submission is the only submission that clearly meets the service improvement plan and the objectives of it and provides the greatest overall value to employees, customers and the people of northeastern Ontario.

I've got a couple of other comments on it. I want to make it clear that no final decisions have been made. We are simply entering into negotiations with CN and it would be inappropriate to discuss the details of the proposal at this time. But again, as the Premier has said, what will be most important in the service improvement plan is that job protection, economic development and improvement of service in the north will be the priorities of any agreement.

**Mr Bisson:** All right. And then there was another specific question in regard to rail service up to the Hearst area. Have you got anything on that?

**Mr Dunlop:** I have not got that specific information, but if it meant rail improvement, I think we'd want to build on that. I'm sorry—service improvement; that's what we would want to build on.

**Mr Bisson:** So nothing specific to Hearst or Timmins, then?

**Mr Dunlop:** No, I have not got that yet.

**Mr Bisson:** So as I understand it, basically, while we're hearing the rumours, you are confirming that in the negotiations, the bottom line is there could be no job losses of the current levels that the ONTC have at this date.

**Mr Dunlop:** That's right.

**Mr Bisson:** All right. Remember, that's on Hansard.

The other thing I was asking in regard to Super-Build—you were going to get me some information in regard to the federal policy. The feds have basically decided that they wouldn't fund new construction for arenas and other projects. We had asked if there was an attempt on the part of the government to change—if there is another phase, a process to get around that.

**Mr Dunlop:** As far as I know at this time, and we talked about this yesterday, about exactly where the federal government stood on this particular issue, any of the messaging we heard was not a political message. So as far as we're concerned—

**Mr Bisson:** From the feds?

**Mr Dunlop:** From the feds. So as we stand right now, we're planning everything going ahead as though the federal government programs are in place and there would be appropriate money following. We are nominating programs based on that.

**Mr Bisson:** But you are not nominating projects—there are a number of them that have been denied and not put forward on the basis that the feds are not willing to put up their matched dollars. That's all those arena projects up on the northern part of the reserves, both in Kenora and Timmins-James Bay.

**Mr Dunlop:** But as far as the overall program, to say on behalf of the federal government that it is cancelled, I can't say that because we haven't had a political decision to say that yet. And I understand, because I think there are going to be a lot of arenas and community centres that will be applied for.

**Mr Bisson:** Again, I can get a copy of that note that you are reading from?

**Mr Dunlop:** Yes.

**Mr Bisson:** There was another item. I don't have my notes from yesterday. There was SuperBuild. There was the CN stuff. I'd asked for some numbers in the Premier's office. I think you answered those yesterday, in fact.

**Mr Dunlop:** Yes. Framing the scrolls was one.

**Mr Bisson:** Yes, there we go. Are you going to put the frames back? That's what I wanted to know.

**Mr Dunlop:** It was cancelled in 1990 as a cost-saving measure, and we haven't had any plans—I think it would take some political will on behalf of all of us to bring something like that back.

I did want to say to you, Mr Bisson, that we are continuing to nominate projects involving First Nations to the federal government for matching funding. As we speak today, we will continue doing that. I want to make clear that yesterday I might have referred to the fact that we'd had some messaging from the federal government that the project was over—I think you alluded to that as

well—but we haven't heard that political decision made yet, so I want to point that out in the Hansard.

**Mr Bisson:** I'm going to switch to French here. You're probably going to want to grab a translator.

Vous savez que juste la semaine passée il y a eu le Sommet de la francophonie à Beyrouth. Vous êtes au courant de ce sommet ?

Là, vous savez que justement à la fin de semaine passée il y a eu le sommet des chefs d'État des pays francophones du monde qui se sont rencontrés à Beyrouth, ce qui s'appelle le Sommet de la francophonie. Vous êtes au courant de cette rencontre ?

**Mr Dunlop:** I read about it very briefly.

**M. Bisson:** J'espère qu'il y a quelqu'un ici au bureau qui peut répondre à la question. C'est possible que vous aurez besoin de le demander au staff. Vous savez que votre premier ministre, M. Eves, a refusé la permission à M. Baird d'assister à ce sommet ? Vous êtes au courant de cette décision ?

**Mr Dunlop:** I understand that Mr Baird was invited to the summit.

**M. Bisson:** Il a été invité, mais le premier ministre a refusé que M. Baird voyage à Beyrouth pour représenter la communauté francophone de l'Ontario.

1640

**Mr Dunlop:** Mr Bisson, I'm not aware of who was invited and who was refused attendance at that francophone—

**M. Bisson:** Laissez-moi expliquer. Ce « meeting » à Beyrouth, c'est un meeting où tous les chefs d'État des pays francophones du monde se rassemblent. Ils sont rassemblés pour parler des dossiers qui sont importants pour les pays où la francophonie a un rôle important, comme en Ontario. Mais ce qui est arrivé ici en Ontario spécifiquement, c'est que le premier ministre a refusé d'envoyer un représentant de notre gouvernement, de votre gouvernement, pour aller représenter l'Ontario à ce sommet.

Ma question est très simple : pour quelle raison le premier ministre a-t-il refusé de participer à ce sommet très important pour la francophonie ?

**Mr Dunlop:** Is that the question, Mr Bisson?

**Mr Bisson:** Yes.

**Mr Dunlop:** I'm not aware of the—

**Mr Bisson:** I'll give you a chance to read your answer there, in fairness.

**Mr Dunlop:** First of all, I just want to say to you, coming from a part of the province of Ontario that has a very strong francophone community, the Penetanguishene-Lafontaine-Perkinsfield portion of my riding, I'm very interested in francophone affairs as well. We've had a number of events in my riding surrounding that. My understanding is that Jean-Marc Lalonde was sent to the event as a non-partisan.

**M. Bisson:** Je ne pense pas que vous compreniez la question. Premièrement, M. Lalonde n'est pas un membre du gouvernement. Le gouvernement m'a demandé d'aller assister. Moi, j'ai dit, « Non, je n'y vais pas; je ne suis pas un membre du gouvernement. »



Ce Sommet de la francophonie est un sommet très important des chefs d'État. Ma question est très simple : pour quelle raison M. Eves a-t-il refusé d'envoyer notre ministre M. Baird ou un autre représentant du gouvernement à ce sommet pour parler pour la province de l'Ontario ? C'est sous quel prétexte qu'il a dit non ? C'est ça que je veux savoir.

**Mr Dunlop:** I do not have the answer to that, I'm going to tell you right up front. I will try to find out that answer for you.

**M. Bisson:** Y a-t-il quelqu'un ici sur le staff du premier ministre qui sait la réponse ? C'est pour ça que vous amenez le staff ici.

**Mr Dunlop:** I can ask Mr Tony Dean if he would try to—

**Mr Mazzilli:** On a point of order, Mr Chair: I respect the question very much, but again, through you, we are doing estimates of the Office of the Premier. The minister of francophone affairs—

**The Vice-Chair:** Mr Mazzilli, the question is quite appropriate. I think Mr Dunlop is trying to see if there is a staff member who wants to respond. It's quite appropriate.

**Mr Dunlop:** My understanding as to Mr Lalonde is that it was not a case of any kind of refusal. It was a case of who actually was available to attend it. If I can find any more on that, I will certainly try to. But I understand the importance of the francophone summit; there's no question about that.

**M. Bisson:** Avez-vous quelqu'un ici qui peut répondre à la question que j'ai demandée ? Y a-t-il quelqu'un sur le staff qui est ici aujourd'hui qui sait la réponse ? Non ? OK.

Je vais être très spécifique avec ma question. Vous allez revenir ici la semaine prochaine, mardi, mercredi. Je veux que cette question ait une réponse. Le Sommet de la francophonie : sur quelle base le premier ministre ontarien a-t-il refusé d'y envoyer un représentant ? Je veux être très clair. C'était au mois d'août que j'ai contacté le bureau de M. Baird, qui voulait aller, comme notre ministre, nous représenter, et franchement, la décision de ne pas aller n'était pas la décision de M. Baird. Je comprends très directement que c'est M. Eves qui a refusé que M. Baird aille lui-même. Moi, je veux savoir, c'est sur quelle base que M. Eves a fait cette décision ?

**Mr Dunlop:** I understand the question clearly. This is a little confusing at first, but I will certainly try to get a response for you on that. I'm not sure what Mr Baird's availability was, but I will certainly try to do that for you.

**Mr Bisson:** Thank you.

**Mr Mazzilli:** On a point of order, Mr Chair: I'm certainly trying to be co-operative in the spirit of things, but what we're asking is a hypothetical question: did the Premier refuse—

**The Vice-Chair:** That is not a point of order.

**Mr Mazzilli:** It is a point of order.

**The Vice-Chair:** No, it's not. I heard the question and it's relevant, and the parliamentary assistant agreed to get an answer. Could we proceed?

**M. Bisson:** Prochaine question, et c'est encore relié au bureau du premier ministre. Vous savez que sous le bureau du premier ministre M. Harris il y a eu une directive quand c'est venu à la politique des services en français : le transfert des responsabilités qu'avait la province pour donner les services en français. Pour expliquer un peu plus clairement, dans le passé, si le gouvernement provincial donnait un service et ce service était donné dans une région désignée sous la Loi 8, la politique était que la province de l'Ontario donnerait ces services en français.

Vous comprenez la Loi 8: si la province donne un service dans une région désignée comme là-bas chez vous, la province doit donner ce service en français.

Il y a eu une directive sous le gouvernement de M. Harris, quand il était premier ministre, qu'on était pour délaissier certains services provinciaux et que ces services allaient devenir la responsabilité des gouvernements municipaux. En faisant que ce soit transféré aux gouvernements municipaux, ça veut dire qu'ils n'ont plus la protection de la Loi 8 quand ça vient à donner ces services en français.

Ma question est très simple : est-ce que, depuis cette décision du bureau du premier ministre, il y a eu une manière de revue ou une manière d'étude pour déterminer jusqu'à quel point les services en français ont été affectés dans les services qui ont été délaissés aux municipalités ?

**Mr Dunlop:** Mr Bisson, thank you for the question. Again, I don't have an exact answer for that. I will try to have that response for you. I guess the next meeting is Tuesday.

**M. Bisson:** Si vous êtes capable de vérifier, là, je ne veux que vous demander de vérifier. C'est très simple : y a-t-il eu des études, y a-t-il une manière de revue pour regarder, c'était quoi l'effet quand ça vient aux services qui ont été transférés ? Y a-t-il une revue qui a été faite ? C'est ce que je veux savoir.

**Mr Dunlop:** Thank you. I'm not aware of any study but I think there are ongoing reviews of all these types of issues and that the ministry of francophone affairs and most ministries look at French as second language in our province as something very important. I know it's important in any of the ministries that I have been involved in. If there has been any kind of review taking place, I'll try to get that answer for you as soon as possible.

**Mr Bisson:** OK, a couple of other questions; I'll come back to some other ones in that line a bit later. A number of staff members who have gone to work in the Premier's office were former lobbyists. Steve Pengelly is one. He worked I think for the linen and uniform service. He worked on the acquisition of the conservation authority lands near Kingston, so he was lobbyist working on behalf of various people out there. What kinds of safeguards have you put in place within the Office of the Premier to make sure that people like Mr Pengelly and others are not put in a conflict position when it comes to issues that have come before the Premier's office that they may have had contact with as lobbyists?

**Mr Dunlop:** You mean like any kind of integrity level?

**Mr Bisson:** Yes. There are people who come from various areas to work in the Premier's office who may be in a conflict position because they acted as lobbyists on behalf of various organizations or associations, and fair game; the Premier is allowed to hire people. So they went to work for the Premier. My question is, what kinds of safeguards has the Premier put in place to make sure that those people who were lobbying on behalf of those organizations or private interests are not in a conflict-of-interest position when it comes to dealing with issues that currently may be before the Premier's office that they dealt with in their former lives as lobbyists?

**Mr Dunlop:** My understanding of those types of concerns is that it is all part of the role of the Integrity Commissioner. He would look at that as well, not just for members but for the staff of the members. The Premier would expect nothing less from a person working as his chief of staff or in any other major position than not to be in a conflict-of-interest position.

**Mr Bisson:** But certainly there must be some policy that exists within the Premier's office to deal with this. Has the Premier established any kinds of guidelines for his staff? That's what I need to know: yes or no, has he any guidelines?

**Mr Dunlop:** Yes, and they would follow the Office of the Integrity Commissioner.

**Mr Bisson:** We understand, but that's not good enough, unfortunately. My question is, if I have been out there in the past lobbying on behalf of whatever, a private entity, and I go work for the Premier's office—fair game—I'm allowed to work there. But certainly to God there has got to be some kind of policy that makes sure that person doesn't end up in a conflict position when it comes to issues that currently may be before the Premier's office. So there must be a policy of some type, or a directive, if you can respond to that.

1650

**Mr Dunlop:** I'm going to ask Tony Dean from the cabinet office to respond to this.

**Mr Tony Dean:** I'm Tony Dean, Deputy Minister and associate secretary of cabinet, in Cabinet Office. As unclassified civil servants, political staff to my knowledge would be covered by the Management Board guidelines on conflict of interest and therefore would be required to declare a conflict whenever a situation arose where they thought their position put them into a difficult situation in relation to former employers or other associations. I can tell you from my personal experience that it is certainly commonplace for people in that position to declare conflicts and to absent themselves from discussions that could involve a former associate.

**Mr Bisson:** The very last question—do I have a couple of seconds?

**The Vice-Chair:** Make it very quick.

**Mr Bisson:** Have there been any cases where people have had to declare conflict?

**Mr Dean:** I'm certainly aware of situations where people have declared potential conflicts and therefore

have absented themselves from any discussion on files related to situations in which any person could perceive there to be a possible conflict of interest.

**The Vice-Chair:** Thank you very much. Mr Wettlaufer, 20 minutes.

**Mr Wayne Wettlaufer (Kitchener Centre):** Just as a further explanation, briefly, to Gilles Bisson's question: the Premier is very concerned about conflict because in 1996, when we were carrying on the discussion at committee level into automobile insurance, the then finance minister, now Premier, Ernie Eves wouldn't even let me sit on the finance committee looking into automobile insurance until he was sure I had sold my share of my business, even though I had received clarification from the Integrity Commissioner that I no longer had a conflict because I was a licensed intermediary.

**Mr Bisson:** I understand that.

**Mr Wettlaufer:** But at any rate I do want to ask a question of the parliamentary assistant. One of the things that has always struck me about measuring effectiveness of one office compared to another is financial management. You alluded, of course, to the fact that some Premiers' offices were spending more than our own Premier's office. I think we need to draw a comparison between the feds and other provinces as well as ours. I'd like to know exactly, precisely how our Premier's office measures up in comparison to others in terms of costs of operations.

**Mr Mazzilli:** And in terms of the federal government, perhaps.

**Mr Wettlaufer:** Yes, the federal government and the other provinces.

**Mr Dunlop:** Is that the question?

**Mr Wettlaufer:** That's the question, yes.

**Mr Dunlop:** We looked at this in some of my briefing for these committees, and certainly one of the ideas I had myself was, how do we compare it to other jurisdictions? We quite often do that with our corporate tax rates or our job creation or whatever it may be. I can tell you that in the province of Ontario, with a budget of \$68 billion and a population of just over 12 million people today, we spend about 0.005% of our overall spending of the \$68 billion on the Office of the Premier. We have to keep in mind that there may be different roles that each office plays, so we are not always comparing apples to apples in the operation of any Premier's office right across the country, or the Prime Minister's office. They will be similar but there could be changes—they are not exactly the same. In Quebec, our neighbour to the east, with 7.5 million residents and a \$50-billion budget, they spend approximately \$4.2 million in the Premier's office, or 0.008% of their budget. British Columbia, with a new government out there, with about a third of the population of ours, 4.1 million people, spent 0.01% of their budget of \$26 billion a year, or about \$2.7 million. So they are paying almost the same amount of money we are for the Office of the Premier. The Office of the Prime Minister I think is a fairly good number. I'm pleased with

what I see. They spend about \$7.3 million a year on the Office of the Prime Minister.

**Mr Johnson:** Oh, terrible.

**Mr Dunlop:** Yes, but it's a \$168-billion budget.

**Mr Mazzilli:** But are the jets in there, or are they in another budget?

**Mr Dunlop:** I don't know where the jets are.

There are about 31.4 million people in our country today, and so they come in just slightly less as a percentage of their gross spending than we as the province of Ontario. So it looks like as you get larger, you should become a little more efficient in the Office of the Premier, and that's what I was trying to say here.

**Mr Wettlaufer:** So there are economies of scale even in the Premier's office—or the first ministers' offices, I should say—and Ontario measures up quite favourably to the other jurisdictions.

**Mr Dunlop:** Very favourably, but we want it to be favourably. We don't want to come in as the highest percentage in any of the jurisdictions; we want the job creation to be the highest.

**Mr Wettlaufer:** No, I don't want you to come in higher than anybody else either.

You got into many discussions on the various departments and the various levels within the departments in the Premier's office. I wonder if you could be a little bit more explicit on the roles and responsibilities of the various departments within the Premier's office.

**Mr Dunlop:** Like exactly? More than what I've already said?

**Mr Wettlaufer:** Yes. I thought it was a little general. I was wondering if you could get into a little bit more specifics, or certainly repeat it. Maybe I stepped out when you got into some specifics; I don't know.

**Mr Dunlop:** I may ask Tony to just help me a little bit with this, because he works near the office all the time.

**Mr Dean:** Sure. I think it was important that I noted yesterday that there be some context on the nature of central agencies in government these days. That's important because, as all of you elected officials will know, the world—and policy-making and public policy—is becoming increasingly more complex. It's becoming more complex because very few issues are the domain of a single ministry any more. They tend to cross ministries; they tend to cross jurisdictions. Issues tend to be increasingly less local than multi-jurisdictional, and sometimes global.

For that reason, I think one finds, much as one looks at the range of expenses of Premiers' offices across the country, that there has been an increased emphasis in central agencies, in cabinet offices and the Premier's office, on supporting the Premier on intergovernmental affairs and those issues that cross jurisdictions, on ensuring that issues that cross ministry boundaries are connected and that there is coordinated policy, that the world of communications and issues management is well managed and that the Premier is well supported there. So again, as I mentioned yesterday, just as any ministry would, the Premier's office and the Premier have support

in the areas of policy, policy development and briefings for cabinet and cabinet committees so that he's apprised of the business of government, where his agenda is going and what the views of other parties and stakeholders are. He avails himself of communications support, of issues management support and a number of other supports in that office.

But I think it is important to note that the work of government is becoming more complex, is becoming broader in scope, and not just the Premier of Ontario but Premiers in other jurisdictions tend to need additional high-level support as time goes by to support those increasingly complex files.

**Mr Mazzilli:** I certainly want to get back to the estimates because I think it's important that we stay on the estimates of the Office of the Premier. It's amazing. Premier Eves is obviously running this operation very well. When you look at \$2.3 million in salary and wages for 44 people—mind you, there's a little bit more. The parliamentary assistant makes \$11,000, so he sort of tips the scale and runs away with quite a bit of the money. But if you divide that by 44 staff, with benefits, I believe you're into an area of \$48,000 a year in wages. Would that be the average in the Premier's office, somewhere around \$50,000—but that's with benefits, so it's actually large portion.

**1700**

**Mr Dunlop:** I think if you took an average, yes, it would be that.

**Mr Mazzilli:** So certainly I think the public can feel safe in knowing that the people who work all day, with benefits included, at an average of \$48,000, which is probably a gross salary of \$40,000—because the rest would be on the benefits portion—is something the public in my constituency could accept.

If you move along in the estimates, transportation and communications: \$112,000. I think it's pretty important for the public to know that the Premier in this province is very frugal; he treats tax money as if it were his own. Office supplies: \$20,000. With a total budget of \$3 million, through you, Mr Dunlop, if you can pass on to the Premier what a good job he's doing on running his office efficiently.

**Mr Peters:** I'm sure one of the researchers will read the Hansard and pass it on.

**Mr Mazzilli:** I certainly will pass any questions back to Mr Wettlaufer, who I'm sure will stay on the estimates.

**Mr Dunlop:** Can I make somewhat of a clarification on something? I didn't want to leave the committee with the thoughts of the transportation portion—you mentioned the \$142,000.

**Mr Mazzilli:** I said \$112,000.

**Mr Dunlop:** OK, \$112,000. Many of the Premier's trips or travel are covered by a particular ministry. If he's doing an event for education or for health, that would be covered.

**Mr Mazzilli:** But we're talking about the estimates of the Office of the Premier.



**Mr Dunlop:** But that would cover the expenses of the staff people, the 44 people in his office, and some of his expenses as well.

**Mr Mazzilli:** I understand, but we're talking about the estimates here, so if we could just stay on the estimates, I'd certainly appreciate it. These people who are expected to work for some \$40,000 a year that we're talking about in the Office of the Premier, and the leader of the official opposition has a stable of staff, I'm sure, making roughly the same type of dollars—

**Mr Wettlaufer:** And more.

**Mr Mazzilli:** And more. I'm just wondering if we can get back to—I think you said in your initial speech what those 40 people do who work for this \$40,000 average, issues and so on. Can you just go over that portion again as to what these people do?

**Mr Dunlop:** I'm going to let Tony answer that one.

**Mr Mazzilli:** Sort of to inform the public in Ontario as to what these 44 people do on a daily basis.

**Mr Dean:** Certainly. I think we could start with the chief of staff. The office of the chief of staff leads the Premier's office in implementing the government's overall agenda through long- and short-term strategic planning and coordination, and provides a one-window service to other members of the government team.

In terms of the policy area, I touched on this earlier. The policy unit in the Premier's office works with Cabinet Office and ministers' offices. I think that's important, because they are coordinating the work of ministers' offices to develop analysis and provide advice to the Premier on various government policy initiatives through the cabinet and legislative processes.

The policy team in the Premier's office seeks inputs from ministers and their staff, from MPPs and industry stakeholders and the Ontario public. It coordinates its activities with other Premier's office staff to provide communications, roll out advice on government policy initiatives, and propose responses also for issues that are raised in question period. So there's that support for question period.

Turning to issues management, I talked a little bit earlier about the complex world of issues management in an increasingly technological and complex society. This is the unit that provides issues management advice to the Premier and the Premier's office team. It coordinates issues management among ministers' offices, prepares the Premier or his designate for question period, and briefs the Premier and other members on issues and the government's proposed responses. That team provides advice to ministers' offices and their staff on issues identification, management of responses and also contributes to communications planning.

The communications group itself includes media relations. It works with other Premier's office department heads, together with cabinet office communications staff, to develop long-term communications plans and manage communications activities. The unit also manages the Premier's personal communications and coordinates corporate communications research and media monitoring.

That group is also responsible for media planning, including developing and implementing a media strategy for the Premier, and provides advice to the Premier, his staff, ministers and their staff on media relations, as well as acting as a liaison between the Premier and the media and representing the Premier to the media.

Tour and public events is a group that some questions were raised on yesterday. This is a group that plans schedules and prepares itineraries for the Premier's events, again working with communications. It integrates tours and events with the government's overall plan and strategy and essentially attempts to maximize coverage of public messages and coordinates the attendance of other members and guests. As well, of course, there is the function of caucus relations, which the parliamentary assistant spoke to yesterday, so it is a very busy operation.

**Mr Mazzilli:** Getting back to the estimates, we've got \$2.3 million over 44 staff. I realize there are some other things in there like the parliamentary assistant's salary of \$11,490, which tips the scale, and the Premier's salary of \$63,000 comes out of there. But is it difficult attracting high-energy, quality people, again with benefits included, in that \$40,000 range? Have you had difficulties with that? What kind of staff do you have?

**Mr Dunlop:** I think the Premier's office has excellent staff, Mr Mazzilli. There doesn't appear to be any problem attracting high-energy people for these positions. So many people would look at the Office of the Premier as something to be very proud of, to have had the opportunity to work with the Premier of the largest province in our country.

**Mr Mazzilli:** Obviously they're not doing it for the money when you look at the small amount.

**Mr Dunlop:** But it's important that people realize this is a very special place to work. You're part of a government that's had a great many accomplishments that we're all very proud of. I'm not aware of any problem in attracting high-level people for these jobs. I think that's been the history of all Premiers' offices and Office of the Prime Minister over the years in this country of ours.

**Mr Mazzilli:** With that, I will pass it off to Mr Wettlaufer, who I am sure has some great questions.

**Mr Wettlaufer:** Mr Dunlop, we had a little bit of discussion yesterday about the Liberal leader's action plan and there has been some discussion about our government's action plan. I would certainly like to have some idea from you what the government's action plan is for this fall session. I know the Liberals are certainly interested in it too.

**The Vice-Chair:** Two minutes.

**Mr Dunlop:** Thank you very much for that question.

I know I've just got a minute here. At some point during these hearings I want to get Mr Art Daniels, who is with the Ontario public service, an assistant deputy minister—I do want a chance to show the overheads on the Ontario public service here. At some point, if the government members could allow us some time on that, I would really appreciate it.

1710

Our action plan is very simple. We continue to take swift, decisive action on issues that matter to Ontarians, and those are mainly health care, education and the environment. They appear to be the three priorities that government faces at all times, all governments, and we will continue to work that way.

Through the Ontario tax reduction program this year we've taken another 50,000 low-income earners off the provincial tax rolls, which means that 745,000 modest-income Ontarians will not pay any provincial income tax. However, those 745,000 people will pay an estimated \$375 million in federal income taxes.

This year under the Premier's leadership Ontario's credit rating was upgraded by Moody's, and I mentioned that earlier. That's something that hasn't happened since 1974 with this particular company, and we're very proud of it. The upgrade highlighted our four balanced budgets and the direction we plan to go in the future.

How much more time do we have here?

**The Vice-Chair:** Your time is exhausted.

**Mr Dunlop:** We can get back to this after.

**Mr Peters:** Something twiggid my—one of the questions from the government side. Could you please tell me, Mr Dunlop, how many government jets the province owns, what the annual budget is of our fleet, and when was the last time we purchased jets in the province and how much we spent on jets?

**Mr Dunlop:** As far as I know right now the Ministry of Natural Resources has two jets, the two King Airs, and they're under the ownership of that particular ministry. Those are the two jets that are used by the Premier on special occasions and some of the cabinet ministers.

**Mr Peters:** How old are they?

**Mr Dunlop:** I'd have to get more—

**Mr Peters:** Could you find out and what the annual budget is to operate the jets?

**Mr Dunlop:** Yes, I'll get that for you. I don't know. There are two, though, and I know at one time I was on one.

**Mr Peters:** Well, I'm curious to know when is the last time we bought one, and how much it cost.

**Mr Johnson:** Maybe they're hand-me-downs from the Prime Minister.

**Mr Peters:** They might well be, I don't know. I think it's very important—

**Mr Dunlop:** Mr Peters, I just wanted to let you know that there are a number of other aircraft that are owned by the Ministry of Natural Resources as well.

**Mr Peters:** I'm curious what the Premier's office would use and the last time we purchased a jet that the Premier's office might use.

**Mr Dunlop:** Yes, OK.

**Mr Peters:** I think it is important, as well, that the Premier set the tone for the province as far as his own vehicles that he drives. I don't want to know how many vehicles, because I'm sure there are probably security issues and I respect that, but I would like to be assured, I would like to know if the vehicles that the Premier uses

are made in Ontario. If you don't have the answer for that, you could let me know as well.

**Mr Dunlop:** I'd have to get that information if it is at all possible. They are provided by the Ontario Provincial Police so I know that they—

**Mr Peters:** Well, that's good. Then there's a good chance that they're driving great St Thomas assembly plant Crown Vics. I'd just like to be assured that the Premier's fleet of vehicles is Ontario-built.

**Mr Dunlop:** I can't say that for sure.

**Mr Peters:** OK, that's fine. Thank you.

Next question: could you please tell me—and I'm assuming it must be in this budget here—what the cost was for the Premier's agricultural round table and any future projected costs of the Premier's agricultural round table?

**Mr Dunlop:** I'm quite sure that the round table was out of the office of the Ministry of Agriculture and Food. I don't think it was actually—

**Mr Peters:** But they called it the Premier's round table, so I'm assuming it came out of the Premier's budget.

**Mr Dunlop:** But it was an agriculture-related round table so—

**Mr Peters:** So if you could confirm that for me as well then.

**Mr Dunlop:** Yes, I'll try to do that.

**Mr Peters:** The point was made earlier about conflicts of interest and recognizing the importance of conflicts being declared. Does the public have the right to know on an issue that's being discussed at cabinet? What assurances do the public have to know that the Premier or a minister declared a conflict of interest? Is there a roll that's kept of some sort?

**Mr Dunlop:** My understanding is that the Premier, like all members of our government and all MPPs, has to abide by the laws of the office of the Integrity Commissioner.

**Mr Peters:** But how do I know that the Premier did or did not declare a conflict of interest? Is that information available to the public?

**Mr Dunlop:** I'll have to find that answer for you. I don't know that information.

*Interjection.*

**Mr Peters:** Yes, it costs me more money. I spend a fortune on FOIs as it is already.

**Mr Wettlaufer:** That's your problem.

**Mr Peters:** Well, if you guys would just provide the information—

**Mr Dunlop:** Can I add to that?

**Mr Peters:** Yes.

**Mr Dunlop:** My understanding is that any conflict is recorded in the minutes of cabinet.

**Mr Peters:** I know the public doesn't have access to the minutes of cabinet, but what assurances does the public have to know that—I don't even want to name a name on any issue. I won't go there with names.

*Interjection.*

**Mr Peters:** OK, I will be specific. Minister Hudak has recently married. His new wife is an employee of Hydro



One. How would I know that when any discussions come up at cabinet on Hydro One, Minister Hudak would declare a pecuniary interest? Because his decision could affect his wife's livelihood.

**Mr Dunlop:** I'll try to get you the exact answer to that question so I'm not having any part of a guesstimate here. I think it is covered through the cabinet documents and the Integrity Commissioner. I think that's important. But if there's a further step, I'll try to provide that for you.

**Mr Peters:** Thank you.

**Mr Dunlop:** Can I just add one other thing? I do have some responses for you on some of your questions from yesterday as well.

**Mr Peters:** I'd like to try to get through, because we've still got another day yet.

I noticed in the government phone book yesterday that there's a line for counsel. I'm assuming that's for legal work. I'm curious to know whether the Premier's office is still making expenditures in dealing with any issues relating to Ipperwash from a legal standpoint, and if you could table for us how much has been spent to date on legal counsel from the Premier's Office relating to the Ipperwash issue.

**Mr Dunlop:** I think I have a response for you on that.  
*Interjection.*

**Mr Peters:** It's in the government phone book under the Premier's office.

**Mr Dunlop:** Over a period of five years, from November 1997 to May 2002, a total of \$990,000 was spent on the legal expenses of the Ipperwash suit.

**The Vice-Chair:** Say that again.

**Mr Dunlop:** It's \$990,000. That was paid for out of the Cabinet Office, not out of the Office of the Premier.

**Mr Peters:** That came out of the Cabinet Office budget?

**Mr Dunlop:** Yes.

**Mr Peters:** So even though it was Premier's office work, it came—I guess this comes back to my question yesterday, when under Cabinet Office we saw Premier's communications and Premier's correspondence. Again, we're dealing with the estimates of the Premier's office. I'm trying to get a handle on all those dollars that the Premier's office spends, but we're obviously not getting the full picture because—you've just said it now—expenditures made by the Premier's office are being paid for out of another ministry's budget. We're dealing with the estimates and trying to get a handle on what it costs for the Premier to do his job. It doesn't appear to me that all the figures that are associated with the Premier's office are accurately reflected in this estimates budget. It appears that other costs associated with the Premier's office are buried in other—

**Mr Mazzilli:** No.

**Mr Peters:** You just said, though, that the Premier's legal expenditures have come from the Cabinet Office. So this doesn't accurately reflect the true expenditure of the Premier's office.

**Mr Dunlop:** If I can, first of all, the Premier is entitled to that, and former Premier Harris was. The Cabinet Office is the Premier's ministry. I'm going to ask Mr Dean to elaborate a little more on that, if he would.

**Mr Dean:** As I mentioned yesterday, just as is the case in all of the ministries across government, the minister's legal fees or expenses would ordinarily be borne by the ministry itself as part of that range of administrative services that are provided by the ministry. So actually there is nothing unusual about a minister's, and in this case the Premier's, legal fees being paid by the ministry with which he or she is associated.

1720

**Mr Peters:** But I was just given the answer that the \$990,000 was expended by Cabinet Office. What ministry is cabinet?

**Mr Dean:** Cabinet Office actually operates as a ministry supporting the Premier, just as any other ministry would support its minister. It's important to think of Cabinet Office as the public service or civil service side of the Cabinet Office-Premier's office relationship. As with any other ministry, Cabinet Office provides a range of services to its minister, who in this case is the Premier. Again, this is consistent with the way those supports are provided right across government. There isn't anything exceptional about that in this case.

**Mr Peters:** So in order for us as members of the estimates committee—what I believe I'm being told is that we should have called not only the Premier's office, but Cabinet Office as well should have been called for estimates, so we would then have an accurate picture of all expenditures associated with the Premier. If Cabinet Office is backing up the Premier's office in doing work and providing services, we should have had Cabinet Office here as well.

**Mr Dunlop:** It would be a separate call, but you could do that in the future, yes.

**Mr Peters:** But to get the full picture of the Premier's office, you need Cabinet Office.

**Mr Dunlop:** Yes. It's also fair to say that the Premier's office, because of the effect it has on other ministries—for example, I said earlier that a flight for a Ministry of Education or a Ministry of Health function would include some of the cost to the Premier. It's safe to say that it is widely spread.

**Mr Peters:** Where would I find the budget for the Ontario's Promise office? It's my understanding that office space and support staff are being provided for former Premier Harris as the honorary chair of Ontario's Promise.

**Mr Mazzilli:** Volunteer chair.

**Mr Peters:** I realize he's volunteering for the position, but support staff and office space have been allocated for Ontario's Promise. Whose budget would I find that in, and how much is being expended to provide that support for former Premier Harris? My understanding is that a former employee of Mr Harris—Miss Kitty or Kitty—has moved from the Premier's office.

**Mr Dunlop:** Kitty Knight.



**Mr Peters:** Kitty Knight moved from the Premier's office to the Ontario's Promise office. Who's paying for her salary as well?

**Mr Dunlop:** Ontario's Promise: anything associated with that office or that budget is paid for out of the Ministry of Community, Family and Children's Services, Brenda Elliott's ministry. Of course you know former Premier Harris is the voluntary chairperson of that committee.

I thought I had a bit more information on it here. I actually have quite a bit of information on Ontario's Promise. Personally, I'm quite a strong believer. I don't know if you've been involved in Ontario's Promise functions, but I know that so far that partnership with Ontarians for the betterment of young people in our province has attracted very close to \$40 million in private sector investment to work toward partnering with organizations in all different communities across our province to make life better for children. I consider it really a very successful program. When you can attract that kind of investment, it's important to Ontarians.

I was at a phenomenal event out in Mississauga; this was one of the larger investments. Microsoft had an official opening or kickoff of an event where they supplied, I believe, close to \$4 million in computers for physically handicapped children—children who were born without limbs and this sort of thing—who could use computers, get in with the technology, get on the Internet and have full access to computers that a lot of other children in our province have. That was the largest one I'd be at—I was at the official unveiling of the little red wagon out there—but I was pleased to be part of that.

**Mr Peters:** But you don't have your wagon on right now.

**Mr Dunlop:** Yes, I forgot it today, but I will bring one for everybody next Tuesday. Certainly I was pleased to be part of that event, and I just can't think of the partner along with the government that was part of it. It was a club helping handicapped children in the Mississauga region.

**Mr Peters:** We're going to do a switch. The Chairman has some questions he would like to ask.

**Mr Curling:** Mr Dunlop, you have been so helpful. Sometimes some of your colleagues would say too helpful, but that's OK.

**Mr Dunlop:** Pardon me?

**Mr Curling:** They'd say you're too helpful; your colleagues might think you're too helpful.

Let me understand—maybe one of your staff could explain to me the difference between Cabinet Office and the Premier's office. I don't say it with any trick at all; I want to understand that. If Cabinet Office is a part of the Premier's office and if the Cabinet Office itself—I know the budget is not inclusive of that. I think my colleague Mr Peters is on to a good thing here. I just want to see if I can get some better understanding of that.

**Mr Dunlop:** Tony is the deputy minister of Cabinet Office. I'm going to ask him to respond to that. I think he

can give you better clarification than I can about exactly what the Cabinet Office does.

**Mr Dean:** Certainly. Cabinet Office, as I mentioned earlier, operates as the Premier's ministry. It's staffed entirely by classified civil servants, many of whom come directly from ministries and work with us for two or three years at a time before moving back. There are three or four main functions of Cabinet Office. Cabinet Office, of course, is led by the secretary of cabinet, Andromache Karakatsanis, who is also the chief civil servant in Ontario. In the secretary of cabinet role, Andromache is responsible for the machinery of government, for the operation of cabinet and its committees and, as the name implies, is the secretary of the cabinet, attends cabinet meetings and is the holder of cabinet minutes. In her role as the Premier's deputy minister, she would also offer the Premier policy advice.

There is also a policy coordination function in Cabinet Office, which reviews all the cabinet submissions that come forward from various ministries, prepares briefing notes on them and, if you like, puts those cabinet submissions on a track toward various cabinet committees and to cabinet itself, again providing briefings and value added to the decision-making process.

**Mr Curling:** I do understand that process. I was just trying to understand if the Cabinet Office budget is a part of the Premier's budget.

**Mr Dean:** It is entirely separate.

**Mr Curling:** The Cabinet Office budget reports to whom?

**Mr Dean:** Well, the secretary of cabinet is the head of Cabinet Office, and those budgets are allocated by Management Board as part of the estimates process.

**Mr Curling:** So it reports to Management Board then?

**Mr Dean:** It is Management Board that allocates the estimates and financing to various ministries.

**Mr Curling:** You've lost me again. I know that, but I was just trying to determine, because the Cabinet Office is one of supports of all ministers, where it reports?

**Mr Dean:** Well, ultimately to the Premier. The Premier appoints the secretary of cabinet and is, if you like, the minister of that organization. So the Premier is as any other minister would be at the ministry level.

**Mr Curling:** To determine the cost and effectiveness of the Premier's office—it seems to me that all the other ministries are supportive of the Premier's office. If he's flying out to Thunder Bay on education, I presume it is the education budget that picks that up, if that is what you are saying. Therefore the number that is reflected in the Premier's office budget is not really a number that's effective.

**The Acting Chair:** One minute.

**Mr Curling:** When my good colleague Mr Mazzilli was talking about getting good value for money, \$48,000 income for all those staff, what is happening is that an enormous number of other ministries are supportive of the Premier's office. Therefore, to say the budget is only three point something million dollars—it's a lot more

than that, because there's a whole lot of support and expenses that are not calculated under the Premier's budget.

While I can appreciate that the Conservative Party over there will brag about value for money, we really don't see the other expenses of the Premier's office that

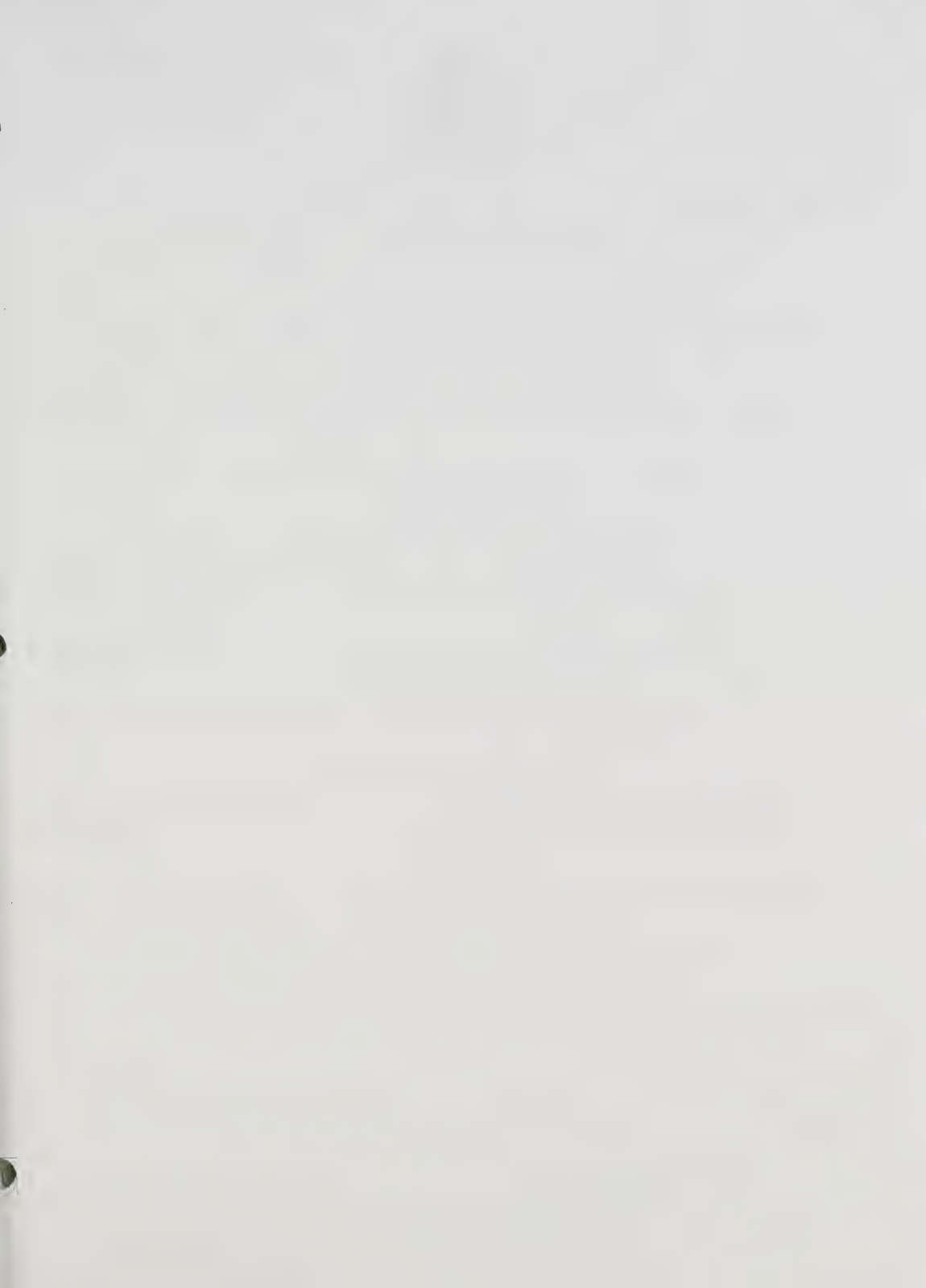
are being supported under this jurisdiction. Cabinet Office and other ministries support it.

**The Acting Chair:** I'm afraid your time is up, Mr Curling. The time being 5:30, as agreed previously we're adjourned.

*The committee adjourned at 1733.*







# CONTENTS

Wednesday 23 October 2002

<b>Office of the Premier .....</b>	<b>E-243</b>
Mr Garfield Dunlop, parliamentary assistant to the Premier	
Mr Tony Dean, Deputy Minister and associate secretary of cabinet, policy	

## STANDING COMMITTEE ON ESTIMATES

### **Chair / Président**

Mr Gerard Kennedy (Parkdale-High Park L)

### **Vice-Chair / Vice-Président**

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gilles Bisson (Timmins-James Bay / Timmins-Baie James ND)

Mr Ted Chudleigh (Halton PC)

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gerard Kennedy (Parkdale-High Park L)

Mr Frank Mazzilli (London-Fanshawe PC)

Mr Norm Miller (Parry Sound-Muskoka PC)

Mr John O'Toole (Durham PC)

Mr Steve Peters (Elgin-Middlesex-London L)

### **Substitutions / Membres remplaçants**

Mr Ernie Hardeman (Oxford PC)

Mr Bert Johnson (Perth-Middlesex PC)

Mr Wayne Wettlaufer (Kitchener Centre / -Centre PC)

### **Also taking part / Autres participants et participantes**

Mr Michael Prue (Beaches-East York ND)

### **Clerk / Greffier**

Mr Trevor Day

### **Staff / Personnel**

Ms Anne Marzalik.

Research and Information Services

CA20N  
XC26  
-E77

Gouvernement  
Publication



E-12

E-12

ISSN 1181-6465

## Legislative Assembly of Ontario

Third Session, 37<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Troisième session, 37<sup>e</sup> législature

# Official Report of Debates (Hansard)

Tuesday 29 October 2002

# Journal des débats (Hansard)

Mardi 29 octobre 2002

Standing committee on  
estimates

Office of the Premier

Comité permanent des  
budgets des dépenses

Cabinet du premier ministre

Chair: Gerard Kennedy  
Clerk: Trevor Day

Président : Gerard Kennedy  
Greffier : Trevor Day





### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Copies of Hansard**

Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

### **Exemplaires du Journal**

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.



## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Tuesday 29 October 2002

Mardi 29 octobre 2002

*The committee met at 1538 in room 151.*

## OFFICE OF THE PREMIER

**The Vice-Chair (Mr Alvin Curling):** We'll resume the estimates of the Office of the Premier. When we last met, the third party was starting off with 20 minutes.

**Mr Gilles Bisson (Timmins-James Bay):** Chair, before we actually start, there's a time allocation motion in the House on a bill I've got to speak to. At one point I've got to go out and speak, and I ask for a bit of co-operation. If it works out in rotation, could we just work it out that I'd skip and it would come back to me? Is that OK with you guys?

**Mr Ted Chudleigh (Halton):** Are you going to say something nice when you're up there?

**M. Bisson:** I didn't know that was a condition. Basically I'm just asking for unanimous consent, whether there is consent of the committee that if it happens on one of my rotations that I have to go, I will just stand down and get my spot after. Agreed?

**The Vice-Chair:** I hear unanimous consent, an agreement.—

**Mr Bisson:** Thank you very much. On avait débuté la semaine passée dans nos questions. La question que je vous ai posée—quand la décision avait été prise par le bureau du premier ministre et, supposément, par le premier ministre lui-même sur la question de la conférence à Beyrouth, on a refusé à M. Baird, le ministre délégué aux Affaires francophones, l'occasion d'aller représenter la communauté francophone à Beyrouth. Je vous ai demandé la semaine passée de me donner une réponse : pour quelle raison le premier ministre lui-même a refusé l'accord M. Baird aller représenter la communauté à Beyrouth. Avez-vous une réponse ?

**Mr Frank Mazzilli (London-Fanshawe):** On a point of order, Mr Chair: I think we have the wrong ministry. It's the minister responsible for francophone affairs that this question is directed to.

**The Vice-Chair:** I think the question is appropriate.

**M. Bisson:** Si vous écoutez la traduction, vous allez voir que c'est une décision du premier ministre. Avez-vous compris ? Oui ?

**Mr Mazzilli:** Yes.

**Mr Garfield Dunlop (Simcoe North):** I don't have any of the background on that particular tour or schedule. I was under the impression that Mr Lalonde was the representative not of the government but of the province

of Ontario and he was selected through a committee to attend a conference in Beirut. My understanding was that a committee nominated Mr Jean-Marc Lalonde. I don't have anything beyond that.

**M. Bisson:** Non. J'essaie d'expliquer. Je reprends la question une autre fois, puis vous êtes capable d'amener une réponse demain. Tout ce que je veux avoir, c'est une réponse.

Le Sommet de la francophonie est un sommet des chefs d'État des pays francophones du monde. Cela veut dire la France, le Canada et d'autres pays francophones qui sont représentés au sommet de Beyrouth. C'est un sommet pour les chefs d'État. En d'autres mots, c'est les membres du gouvernement. Ce n'est pas les membres de l'opposition qui d'habitude fréquentent cette réunion. C'est les chefs d'États eux-mêmes. Justement, M. Lord, le premier ministre du Nouveau-Brunswick, y était de la part du Nouveau-Brunswick comme chef d'État, M. Chrétien y était comme le chef d'État du Canada, et nous, l'Ontario, notre premier ministre n'a pas été capable d'y aller. On a avait demandé la permission de M. Baird d'y aller à sa place.

Ma question est bien simple. Ce n'est pas un comité qui décide ça. C'est un sommet des chefs d'État. Tout ce que je veux savoir : pour quelle raison le premier ministre a-t-il refusé à M. Baird d'aller représenter la province de l'Ontario à ce sommet ?

**Mr Dunlop:** Our understanding is that the Premier did not refuse to attend that conference or summit. It was really a matter of availability. Minister Baird, it's my understanding, was not available to attend that particular summit.

**M. Bisson:** En d'autres mots, on ne m'a pas donné de réponse. Mais laissez-moi au moins essayer de faire ce point-ci.

*Interjections.*

**M. Bisson:** Non, je connais la réponse. Le point, c'est que c'est une réunion de chefs d'État. Au mois d'août l'année passée, j'ai demandé directement à M. Baird si lui voulait aller nous représenter parce que nous, les partis de l'opposition, supporterions sa nomination d'aller à la place du premier ministre, parce qu'on a compris que le premier ministre ne pouvait pas aller. On a accepté ça. Tout ce qu'on a demandé, c'est qu'un autre ministre y aille. Ce qui est arrivé à la fin, c'est que M. Eves a refusé l'occasion pour M. Baird d'y aller.

À ce point-ci vous m'avez donné une réponse et je ne suis pas satisfait, mais quand même je veux faire le point

que pour la francophonie de l'Ontario, le Sommet de la francophonie est important, parce que c'est une occasion que l'on a pour être capable d'établir des connexions avec d'autres pays francophones du monde, non seulement pour des raisons politiques dans le sens d'avancer la démocratie dans les autres parties du monde, mais plus important pour nous ici, pour être capables d'établir des liens culturels et économiques qui peuvent se donner à ce sommet à travers ce processus. Un problème que l'on a, c'est que l'Ontario est là seulement comme observateur, et nous demandons que la province de l'Ontario fasse une demande pour être admise comme membre entier de la francophonie.

La deuxième partie de ma question : est-ce que le premier ministre de l'Ontario et son bureau sont d'accord pour application que la province de l'Ontario fasse une demande officielle pour devenir membre entier du Sommet de la francophonie ?

**Mr Dunlop:** The government of Ontario understands the importance of this event. As I said earlier, Mr Baird was not available to attend that conference. I really would have to get into more details on his schedule at a later date.

**M. Bisson:** Ce n'est pas la question que j'ai posée. Ma question est qu'il y deux manières que l'on peut assister au Sommet de la francophonie. On peut y aller comme membre, reconnu par le Sommet de la francophonie, ou on peut y aller comme observateur. La province de l'Ontario a besoin de faire une demande pour devenir membre entier du sommet. Ma question est très simple : est-ce que le bureau du premier ministre est d'accord pour que la province fasse une demande au Sommet de la francophonie pour devenir membre entier de cette organisation, oui ou non ?

**Mr Dunlop:** This is a question that the minister of francophone affairs will have to answer for you. I cannot commit the Premier's office or the minister's office at this time to answer that question.

**M. Bisson:** Mon problème, c'est que c'est une décision du premier ministre. Tout ce que je demande c'est, quand vous partez, et revenez pour demain, de vérifier avec le bureau du premier ministre s'ils sont préparés à faire une demande pour devenir membres de la francophonie, de demander auprès du bureau et nous en faire part demain. Ce n'est pas une décision de M. Baird; c'est une décision pour le premier ministre.

**Mr Dunlop:** Quite simply, I felt it was primarily the minister of francophone affairs' decision. He deals with francophone affairs, not only in Ontario but in Ontario's role across the world. I can't guarantee I'll have that answer for you tomorrow. I'll try to find out everything I can on it.

**M. Bisson:** OK, vous allez essayer d'avoir une réponse. C'est tout ce que je demande.

Deuxième partie : la question fait affaire avec la Loi 8 elle-même. Vous êtes au courant de la Loi 8? Savez-vous ce que c'est, la Loi 8, la Loi sur les services en français?

**Mr Dunlop:** I know a little about the bill. I'll try to answer—

**M. Bisson:** Juste pour expliquer, la Loi 8 dit simplement que dans les régions désignées où il y a un nombre suffisant de francophones, la province de l'Ontario va desservir la communauté francophone en français pour les services que la province donne elle-même. En d'autres mots, si tu demeures à Timmins, à Toronto, à Ottawa, dans les places qui sont désignées, dans ce cas-là, ce qui arrive c'est que n'importe quel service offert par la province doit être offert en français.

Ce qui est arrivé c'est que votre gouvernement, il y a environ quatre ou cinq ans, a délaissé certains services, qui étaient des services provinciaux, aux municipalités. En d'autres mots, par exemple, certaines contraventions étaient transférées des cours provinciales aux municipalités; d'autres services du bord du bien-être social et autres ont été transférés directement aux municipalités. Ma question est seulement : est-ce que le bureau du premier ministre a fait une étude de surveillance des services qui ont été transférés pour déterminer si des services sont encore donnés en français, tels que ceux donnés en français quand la province elle-même avait ces responsabilités?

**Mr Dunlop:** First of all, in response, it's a question for which we will try to obtain the exact information for you. But I want to comment on the fact that where I come from, the riding of Simcoe North has a very strong French community in the region of Penetanguishene, Lafontaine, Perkinsfield, and many of the services are provided: radio stations, newspapers. We're quite proud of the heritage and the culture that surrounds the French communities in that part of the province, as you are of course in northern Ontario, and particularly in the Ottawa area as well.

As I said earlier, I don't know all the details of Bill 8. I will try to obtain more information for you. However, most of the information I see in my riding—since our government came to power, we have restructured the school boards and now we're fortunate enough to have two French-language school boards in that part of the province and they're working very well. I meet with them on a regular basis. In fact, I'm trying to make some arrangements for some property purchases through one of the school boards for another organization that would like to buy an old school that is owned by one of the French boards.

As I said earlier, I'll try to obtain that information. I appreciate the comments because I come from a strong French community and know the importance of that heritage to those people.

**M. Bisson:** Pour que vous compreniez la question, l'information que je veux savoir, c'est : est-ce que le bureau du premier ministre ou un autre ministère sous le premier ministre a fait des études pour déterminer que, quand les services ont été transférés de la province aux municipalités, en effet les services ont été respectés quant ça vient à donner ces services en français?

**Mr Dunlop:** I wish I could speak French in this particular case. I'm not sure of any study that has been carried out by the Premier's office, but I will try to obtain that information for you.



1550

**Mr Bisson:** OK. Just in English now—how much time do I have left?

**The Vice-Chair:** About seven and a half minutes or so.

**Mr Bisson:** Seven and a half minutes, my Lord. OK.

Last week, when we got together, we talked about the decision by the Premier's office to effectively start negotiations between CN and Ontario Northland in regard to the transfer or the sale or the privatization, whichever way you want to see it, to CN for the Ontario Northland services.

At that particular time, I was telling you there was some discussion in the community of northern Ontario, just sort of the chattering classes, that there had been a direction by the Premier that in the event of a transfer of services from Ontario Northland to CN, there would be no job losses. In fact, you confirmed that was a direction of the Premier, and I commend him for that. That's a good thing at least. I don't believe you should transfer to CN, but at least there should be some assurances when it comes to job losses.

One of the things that was raised with me after as a result of that was CN's position in regard to the leadership race of the present Premier during the Tory leadership race. Are you aware that CN gave sizable contributions to the Ernie Eves campaign?

**Mr Dunlop:** Mr Chairman—

**Mr Mazzilli:** Point of order.

**Mr Bisson:** Don't worry, I'm not going to get too nasty, Frank. Just relax.

**Mr Mazzilli:** We're dealing with the Premier's office's estimates. If we could stay on that, I think it would help the committee follow.

**The Vice-Chair:** The parliamentary assistant seemed willing to respond to the question. But I would say of course in respect of your experience that you'll keep it consistent with the estimates of the Premier's office.

**Mr Dunlop:** I do not have any information in front of me on any type of donations and what organization provided funding to any leadership campaign or any political party. In any political jurisdiction, whether it's federal, provincial or municipal, I know that a number of organizations donate to all political parties at all different levels of government.

I'm not familiar with any of the dates and I certainly don't have that information.

**Mr Bisson:** In this particular case, just to be clear here on how it's related, it's my understanding from the research we've done that CN made a contribution of some \$10,000 to the Ernie Eves campaign. Fair enough.

What I want to know is what kind of assurances we have that the consideration that the Premier is going to be taking in regard to the possible sale of assets of Ontario Northland to the CN—to what extent that donation has any kind of influence on the decision to be made, because at this point your government has rejected any consideration for what was the internal solution group plan, which was basically an employee ownership bid that was

being put forward. In fact, that has been rejected and now all of our horses are tied to CN.

My question is very simply this: to what extent do we have assurances that the decision that will ultimately be made by the Premier's office and by the rest of his government is not going to be influenced by that \$10,000?

**Mr Dunlop:** Again as I said, political contributions come in different sizes from different organizations from all across our province. They certainly will contribute to any leadership campaign. In fact, any candidate in that leadership campaign may or may not have received donations from this particular company.

I have no assurances. I know the Premier is expecting any proposal that's put forth to be the best for that particular community and organization so that we can in fact have job creation in a great organization or company that operates something like Ontario Northland.

**Mr Bisson:** What I'm trying to get a handle on is, what kind of checks and balances do we have at the Premier's office? In fairness to the government side, everybody's going to contribute to a leadership campaign or to a political party. All parties accept political donations. That's not my argument. I understand that happens. What I want to be clear on is that that money then is not seen as being beholden to any decision that the Premier's office, or any other minister of the crown, would make on behalf of that company that has given a donation. So my simple question is, what kind of assurances do we have, and what kind of steps has the Premier's office taken to make sure there isn't a conflict of interest set up when it comes to those decisions?

**The Vice-Chair:** Mr Bisson, I've been very lenient about your line of questioning. I think this kind of line of questioning is really not a part of the estimates. I hear you about the checks and balances, but let's be careful as we go along asking those other questions, because it has no relevance to the estimates process itself. I hear where you want to go, but somehow—

**Mr Mazzilli:** It's the wrong committee.

**Mr Bisson:** Then I will ask Mr Mazzilli what is the right committee.

**Mr Mazzilli:** Question period, of course. We're dealing with the estimates.

**Mr Dunlop:** I think it's fair to say, through you to Mr Bisson, that we all try our very best efforts to abide by the rules of the Integrity Commissioner and what is fair and good for all citizens of the province of Ontario.

**Mr John O'Toole (Durham):** Unlike Chrétien.

**Mr Bisson:** Well, I probably would agree with Mr O'Toole on that one. But, Chair, I'm just looking for a little bit of guidance from you here, because part of what the estimates are about is, yes, the expenditures of the Premier's office, but also basically the decisions that are made by his office. As we do at the environment estimates or any other estimates, policy issues are raised there and are perfectly in order.

I'm not arguing with the \$10,000 donation. I accept that that was given and I have to believe it was given in good faith, and I have to believe whatever ensued out of

that is what any other political party would do. That's not my argument. My question to the parliamentary assistant is, what checks and balances are we putting in place in order to make sure that the money that is contributed on behalf of a corporation to either the party or somebody's leadership race is not in some way seen as buying influence when it comes to the decision-making process? What policies has the Premier's office put in place to ensure that those lobbyists who are lobbying on behalf of those corporations aren't stepping outside of the bounds of the legislation that's presently in place, that we have to follow?

I thought it was perfectly in order.

**Mr Dunlop:** We like to think that the government is held accountable by the citizens who elect us to this position and the rules that we follow under the Office of the Integrity Commissioner.

*Interjection.*

**The Vice-Chair:** Is that your time?

**Mr Bisson:** Yes. I must be about at the end of it.

**The Vice-Chair:** Now the questioning goes to the government side: 20 minutes.

**Mr O'Toole:** We'll try to make very efficient use of the time. I think if I was to define seven years of what this government has tried to achieve, it is the best quality of service, at the best price to the taxpayer. That's a broad description, and I guess the words that describe that the best for me, and I hope for my constituents and the people of Ontario, are openness, accountability, and transparency in process.

Naturally, this could never be achieved by the government itself without the hard work and dedication of a very professional public service, and more importantly and more specifically through the Cabinet Office, Tony Dean and others, who represent the translation of—

**Mr Bisson:** Isn't this out of order, Frank?

**Mr O'Toole:** Well, it is. Ultimately, the leadership of this great province comes under the leadership of Premier Ernie Eves—

**Mr Bisson:** Come on, Frank. Tell him he's out of order.

**Mr O'Toole:** —working in partnership with the Cabinet Office. The point I am making is that to achieve this level of performance through the public service—and I think it's important to recognize that it has not gone unnoticed, not just within this government but arguably throughout the world, as setting a very high standard of quality, excellence and innovation. I just think it's important to put that on the record.

I'd have to recognize right from the very beginning Art Daniels, the assistant deputy minister of the Ontario public service, who has been very much involved in driving this agenda in excellence and innovation out of the Cabinet Office. If it would be possible to get a presentation on that which would help all the members and the people of Ontario understand that, I would very much appreciate it.

**Mr Dunlop:** Well, it just so happens we have Art Daniels present today, and he might be able to make a presentation.

**Mr O'Toole:** I knew it was time. I knew the time had come for—

**Mr Bisson:** I'm just wondering, Mr Chair, if that's in order. What does that have to do with the estimates?

**Mr Mazzilli:** On a point of order, Mr Chair: I certainly think that what the government is trying to do on this—either through incompetence or laziness, somehow someone chose the Office of the Premier, where in fact we found the Cabinet Office does most of the approvals. So out of goodwill, we're going to get a presentation on how government works so that perhaps next time people will choose the right ministries that they want before them.

1600

**The Vice-Chair:** Let me understand this. There is a presentation coming up about the Cabinet Office. Is that it?

**Mr Dunlop:** It's more on the Ontario public service—

**The Vice-Chair:** One thing, Mr Parliamentary Assistant. You made a presentation here outlining the office and I asked that it be tabled. I haven't received any of that. I hope I can receive that. It's when you started off.

**Mr Dunlop:** We have copies.

**The Vice-Chair:** I hope I get a copy of that presentation you had, and the other thing is that we're going to get a presentation about the Cabinet Office. Is that it?

**Mr Dunlop:** The intent this afternoon was to try to show you the value of some of the—as we said earlier, the Cabinet Office is actually the Premier's ministry, and any decisions—

**The Vice-Chair:** You don't have to convince me about the goodness of it. I just want to know, what am I getting here? Am I getting a presentation on the Cabinet Office?

**Mr Dunlop:** And the Ontario public service.

**Mr Bisson:** On a quick point of order, Mr Chair: I understood Mr Mazzilli to say that we had to confine ourselves to the expenditures of the Premier's office, but if he wants to expand the scope of these estimates, I'm all for it. We're going to allow it to happen—tit for tat, not a problem.

**Mr Dunlop:** I think it's fair to say that I've tried to cover as much of the Premier's office as possible.

**Mr Bisson:** Not a problem. Then we can talk about the Cabinet Office.

**Mr Dunlop:** I think this would be a fair presentation. I think it would be a valuable presentation to everyone here.

**Mr Steve Peters (Elgin-Middlesex-London):** On a point of order, Mr Chair: If we are getting into the Cabinet Office, I would love an explanation of the 35 individuals who are listed on the September 17 Cabinet Office staff who are listed as Premier's staff. Maybe that will be explained in this process.

**The Vice-Chair:** That's not a point of order. I think we went through that. Could we then have the presentation? How long is this presentation?

**Mr Art Daniels:** Whatever is left.

**Mr Dunlop:** We could run into more of the government time as well.

**The Vice-Chair:** Let's proceed.

**Mr Dunlop:** Just before Mr Daniels starts—this is Art Daniels, the deputy minister—I would like the opportunity to say that if Mr Daniels needs extra time we could use the government's time in the later part of the rotation. You might find it that interesting that you want—

**The Vice-Chair:** Let me explain this. The government has 20 minutes. You can use it any way you want. When the 20 minutes is up, it's up to the third party whether they want to give him some of their time. I have been doing the rotation according to the proceedings. The quicker we start and the more they get on, the more we can start explaining what this is all about. So could we proceed?

**Mr Dunlop:** Yes, Mr Chair. I'm just saying, though, it may go into the second 20 minutes later on in the rotation today.

**The Vice-Chair:** That's fine with me if they want to do it when they come around.

**Mr Dunlop:** Yes, thank you.

**Mr Daniels:** First of all, I brought the award along. This is an award that the Ontario public service won about a month ago in Glasgow, Scotland. Over 150 other organizations across the Commonwealth of Nations—we were competing with our colleagues in the United Kingdom and the government projects of the UK, competing against the Australians and the Australian provinces, against Malaysia, Singapore, India, various islands of the West Indies that are part of the Commonwealth, South Africa, a lot of African nations.

There were 150 organizations, public services, that submitted projects from their organizations, and Ontario prevailed over the 150 not just the first time, but this is our second time. We first won it in 1998 and were able to win again. It's a biennial award, presented by the Commonwealth secretariat every two years. I thought when we won in 1998 it was very exciting, but to win again, with more innovation on top of what we've already accomplished, made us feel very proud.

The silver medallists were from Australia; the bronze medallist was from India. It's quite an international and world event. The Canadian federal public service was also a finalist, but not a medallist. So I think that has great pride for our province.

The cabinet secretary from the United Kingdom, as our hosts, didn't even make the top 10. They were sort of jokingly complaining that here they hosted the thing and they can't make the top 10.

I think as former parts of the British Commonwealth, it's always good when the former colonial group does well over its principal group originally.

The reason this year that we were successful in winning the award was for the idea of linking up government. What's happening now with things like technology, policy clustering etc, is that governments are creating less ministry structure and more cross-ministry

programs because the public is demanding us to link up government differently.

The Australians use the word "link-up"; the British use the word "joined-up" government; in South Africa they call it one-stop-shops; in Canada sometimes you hear about integrated services and collaborative, clustered, single windows.

But we chose to call ours "connected." "Connected" is a great use of a word here because we can connect to our citizens, the people of Ontario, we can connect to each other across the Ontario public service and we can connect electronically. So the word "connection" has a human and an electronic variant.

I've been in government—this is my 37th year as a public servant—and with all sorts of early retirement programs I keep going because I love the work. Serving the province of Ontario, working as a public servant and then actually helping Ontario be successful worldwide is really important.

As a long-time public servant, getting ministries to work together is a tough thing. They have their departmental cultures.

**Mr Peters:** Silos.

**Mr Daniels:** Silos. Stovepipes. There are lots of good words, but that's what it is—structures and then turf protection. People are afraid of losing power if they work together—and lack of trust. Sometimes it's about authority to do that, and the skills. But we have to connect. When we work together you get better results. More importantly, the work that Tony Dean does and our colleagues in policy—things are interdependent. If we make a decision in one ministry to crack down on something in the policing or social area, it could affect the corrections. We're part of the larger system that's interdependent.

Technology in the last few years is the latest to start to create more integrated services—I'm going to show you that. And the most important reason to integrate government is that this what the public wants. Over the last several years, in partnership with the federal government, public services—we call ourselves the Citizen Centred Network—have been going out and serving Canadians about public services, not about the political party government but the delivery part: do you want services over the Internet? Do you want services walking in? How would you like those services delivered and what are the ways that would satisfy you? Is it about time? Is it about courtesy? These are all the questions that we've asked.

We also follow how they use the various service channels, in terms of over-the-counter service, Internet, telephone, again measuring the effectiveness of public service. Every province in Canada, all the territories, the federal government and most of the major cities participate in this.

Every two years we go out and build a database, and it really tells us that the public wants government to be faster, simpler—Mr O'Toole left the room, but the Red Tape Commission—that's the number one thing people want, is they want us to simplify the government,



simplify the process. Another very important one is they want us to put it together differently; they want it to be seamless.

One of our earliest initiatives: people told us they didn't know where to start. Most people when they come to government try to look to the phone book. This was the phone book in Ontario in 1999. The federal government had a set of blue pages, the municipality had a set of blue pages and the province had a set of blue pages. That was a problem because most people don't differentiate when they're thinking about service. What was really wrong with these blue pages is they were organized around who we are, not what we do.

So here you would see a blue page with Management Board Secretariat, which has very little public connection yet it would appear in the blue pages. You don't see something like what we just did: birth certificate, health card, driver's licence, fishing licence—begin to talk to people about products. Ontario is the first province in Canada to work with the cities across the province and the federal government to create an integrated Blue Pages that's not about who we are but what we do.

#### 1610

So when somebody comes to you and says, "I can't find the swimming pools any more," they're under "swimming pools." Mr Dunlop was telling me a story about one of his constituents who was looking all over for the provincial park; it just happens to be under "parks."

We start to talk about plain language and services. Other governments, by the way, have asked us for help in this area. In Johannesburg, for instance, if you went to look at the phone book there it would be like our old phone book; if you went to New Delhi it would look like this. I was recently teaching a Commonwealth course, and the people in Barbados just took the Toronto phone book and recreated it just like that. It's such a simple thing, but most public services around the world have not figured it out.

The thing is, when we are innovating in governance and creating this more connected organization, these are the areas we want to connect: we want to connect policies, because policies are interdependent; we want to design our programs in a more connected way; we want to deliver services around people's life events; we want to integrate infrastructure and compliance. I'm going to talk to you about the integrated compliance project and support services.

These are examples of our connected government that deal with more than one ministry and more than one level of government. Teranet is a land company that integrates the parcel maps with planometric maps, with tax maps; in other words, mapping Ontario by parcel and connecting it together, or connecting it as we have. I'm going to demo this in a second.

This is a hand-held computer, very small, for inspectors to help each other. When an aggregate inspector is on a work site they can tip off the labour inspector, again integrating services for higher compliance and creating an integrated inspection and enforcement.

There's community care access centres for seniors. Here's the Shared Services Bureau, where we integrated 20 business functions of the OPS into one and saved \$300 million a year in reduced costs related to support: human resources, finance, purchasing etc. Ontario Business Connects is one of our most successful projects, where we built a single window with all the other governments so that business licences from the province of Ontario, the federal government and the cities are all integrated. When I started this project in 1995 it was 16 weeks to start a business. Now you can start a business on-line in Ontario and get all the licences at the same time in less than 20 minutes. It's a different way of dealing with business.

Service Ontario is connecting individuals. Policy clusters is what Tony has been leading—Tony Dean, who is with us. We have clustered the public service in interdependent groups because they have common customers, common stakeholders, but most importantly, they are part of a service system. Tony's group created and begins to create not just the silos you talked about—every ministry having its own policy unit—but understanding the policy as a community. Then the skills and the policy are interchangeable, so they can have common tool kits and can learn together, take training together, or they can build networks to share best practices.

The inspection, when the virtual inspectorate—the work we've done with studies on the needs of businesses. A lot of you are small businessmen. These are the people, the CFIB etc, who tell us, "We don't mind complying, but why, one day, would a health inspector come and then a labour inspector and then a mining inspector etc without integrating their work and sharing the information? We don't mind complying, but you're adding a burden to us."

The research in this area tells us that we have 5,000 inspectors in the Ontario public service; that's almost 10% of our workforce who work in this area. They are distributed across 13 ministries and their workload overlaps 80%. In other words, they are doing the same thing 80% of the time. Yes, there is a specialty and we don't want to lose that, but 80% of their work is overlap. More importantly for us, 80% of their customers are the same. If the customers overlap and the job overlaps, we have an opportunity to use technology to bring them together.

So across the OPS we have a common risk management tool that helps each of the ministries speak the same language; a common code of professional conduct so that when an inspector goes people can expect the same level of professionalism, the same standards, the same codes; a common learning and training program at the University of Guelph. They're taking distance learning, but they also take courses together and start to see themselves as a community of inspection, investigation and enforcement. It allows us to coordinate for high-risk and use this technology, this little hand-held; you turn it on and there's a common checklist for all inspectors. As you can see on the next slide, this is a workplace health and safety inspector. He's looking for things like hard hats and—

**Mr Peters:** Where's his hard hat?

**Mr Chudleigh:** Good point.

**Mr Daniels:** Good point. That's the first time somebody has said that.

As you can see, one of the questions on the checklists—if you look very carefully, the trees are falling in the pit. He would be normally only be looking for labour things. Now, on this common checklist—it's not hard to figure out that these trees are falling into the aggregate pit and therefore they may be cutting too close to the treeline. This would be in violation of the pits and aggregates legislation.

By sharing this data—the inspectors all share data—they can now target high-risk businesses versus low-risk. If nothing's wrong in one area, it's likely to be compliant in another. If it's wrong in one area, there's a chance that they can deal with their compliance differently.

Now we move to shared services. In the private sector, companies use shared services all the time, but in the public sector Ontario is the leader in changing how it provides human resources, finance, purchasing. In the past we were a bunch of silos, but now we are a bureau with a common payroll system, common finance and purchasing, mail and print, generic training, forms management, fleet management. As I said, by bringing this together we save \$300 million per annum.

But it's not centralizing government, because every ministry has a stake in the Shared Services Bureau through a contract, a service level agreement. Ontario's Shared Services Bureau is huge, double the transaction volumes of General Motors Canada in terms of payments, a public sector payroll that's second only to the federal government, a procurement span of \$3 billion and 20 different lines of business.

This is what it looks like for every individual employee: it's personalized on their laptop. In the past you would have to go to your HR person to find out how much vacation's left, or "What are my benefits?" or "What kind of dental care am I getting?" Now it is personalized to you without a lot of paperwork. It brings it together.

We have created a ministry of Consumer and Business Services to bring the critical mass of transactional services together. We understand that permits, licensing, over-the-counter publications, law, telephone contact centres, land information, public access terminals, kiosks, Internet gateways can be put together in a more clustered and better way for the citizen.

Here is one of our great practices: our government information centres, where we integrate service delivery, where Ontarians can have free access to Internet services for government if they don't have it at home. A lot of our services are transacted that way.

Every government form is available electronically; government programs; you can start a business at each of these sites; Ontario Business Connects is there; telephone directories; and a chance to schedule employment.

We've created a partnership with the federal government, such as this one, to create single windows for

business on the phone. In fact, this is very exciting. You can phone the Canada-Ontario Business Service Centre and, with your permission, they can actually take charge of your browser and help you flip through all the licensing. So you're on the phone, you're on the computer, and you're getting your business started not in 16 weeks—oh, you're going to cut me off, Mr Curling?

**The Vice-Chair:** I gave you two minutes over.

**Mr O'Toole:** Mr Chair, on a point of order: I seek unanimous consent to just allow them to finish their presentation and we'll just extend the time around.

**Mr Peters:** That's fine. I'd just as soon. Why break it up? I agree.

**The Vice-Chair:** How much more time do we have?

**Mr Daniels:** I would think three or four minutes.

**Mr Dunlop:** If we have unanimous consent—thank you.

**The Vice-Chair:** OK. We'll just subtract it from your time.

1620

**Mr Daniels:** This has been a very successful program of creating what you saw in that research about being fast, simple and speedy. This is a touch-screen technology.

A million people in Ontario use the kiosks every year. They're open seven days a week, 24 hours a day. You'll notice they deal with change of address for fishing, hunting, health cards. They deal with fine payments at the municipal level, vehicle abstracts, stickers, outdoor cards, all on one thing—seamless government, three minutes. A million people use it. Last year they rated the service at 97%—enormous—and everybody is surveyed. The question we ask at the end of it is, "Did you enjoy the experience?" You've just paid parking tickets, you've bought a driver's licence, and you're saying, "I enjoyed the experience." So it shows that people want these kinds of services.

Here's our gateway to government. Around the world, governments are building these new gateways in plain language, just like the phone book. It's about driving, going to school, life events. Some of our life events are in clustering government around getting married, moving, dealing with somebody who has passed away, spousal abuse, losing your wallet. I put this in for Mr Bisson. He's not here, but it's en français-en anglais. The lost—

**Mr Peters:** Alternative formats as well?

**Mr Daniels:** Yes. You can see that it's federal and provincial services. When you lose your wallet, you can begin building your birth certificate, your driver's licence, your health card, your outdoor card, your federal social security, your immigration card. All of these things you can at least start from one site.

Here's one that I think is the most sensitive of all. I think a lot of you are in contact with constituents all the time. They have a death in their family. There's just so much to do if you're an executor. This actually lets you tell the bank to cancel the card, tell the motor vehicle department that that person isn't driving any more, stop the pensions. See all the things it does? Pensions and



benefits, income tax, credit cards, government cards, vehicles, property, clubs and organizations and professional associations. Down here at the bottom, if you've lost a child, it hot-links you to Bereaved Families of Ontario. Up here, if you're looking for the right kind of funeral home, it's the Board of Funeral Services, which will give you a rating on funeral homes in terms of best practices, all on our site, understanding that there's not one part of government or one part of the private sector that deals with the loss of a loved one; it's the whole integrated.

Our publications, our electronic law services, our land information, our Ontario business services are on-line.

Here's a concept that Ontario again leads the world in: there is no wrong door to start a business in Ontario. If you go to the chamber of commerce, they're empowered to start your business. If you go to the federal revenue agency, they'll start your Ontario business. If you go to the city of Toronto's enterprise centre, they'll start your Ontario business. If you go to the Internet, it'll start your Ontario business. In other words, wherever you go is the right place. The government is there to provide you with the service so that you don't have to shop around. The system is welcoming you. As I said, it used to take 16 weeks to start a business in Ontario. We have it down to 20 minutes.

**Mr O'Toole:** You should make it 16.

**Mr Daniels:** Yes, get it down to 16. If you get one or two licences, I probably could.

As a result of all this, and I'm coming near the end, this is what experts have said, and this is a study done in Germany by the Bertelsmann Foundation. They looked at FirstGov in the US, UK Online, eCitizen in Singapore, all the leading Web sites, Fairfax, Virginia, Seattle, Washington—and Ontario is at the very top of its game. Ontario can claim to be a world leader in the evolution of e-democracy. It's pretty amazing stuff that we're being benchmarked halfway around the world because of what I just showed you. We step outside our own public service. We step outside our own ministries. We partner with the federal government, municipalities, the not-for-profit and the private to deliver an integrated thing, and that's why the Bertelsmann group in Germany put us at the top.

Infotech Canada congratulated us on our Shared Services Bureau. It rightly says we're a world leader in this area. Three professors, one from Brock University, one from the Rotman school of business and one from Queen's, in a recent book on public management across the world said Ontario has become a North American pioneer in service innovation.

A couple of weeks ago, in the June report of the Ombudsman, Clare Lewis for the first time said that his workload is going down. He's having fewer complaints about government. He put this in his report and immediately got invited to Taiwan to talk not about the number of complaints, about corrections but why, as an ombudsman, his workload is going down. What's driving this less work? It's good services with standards that are measurable.

As I say, we measure all the users of the kiosks, a million of them; 94% enjoy the experience. The question is, "Did you enjoy the experience?" That's the question. Some 2.3 million use the new integrated over-the-counter services, the GICs, rating in at 95%. Ontario Business Connects says, "No wrong door to business." There are 300,000 small businesses that come into life and they use the system.

Then of course our inspectors, the people who are using this new technology, are trained with common compliance tools and a common code of conduct. In a survey done by the Ministry of Labour, 88% of their customers rate the inspectors and investigation staff as fair and equitable. I think that's a good testimony to compliance and service.

All around the world governments are coming to Ontario and we share our stuff. We have partnership agreements with the provinces in South Africa to help them build a new democracy and their new public services. We work with the Jamaican public service to reform their customs and immigration, to reform their land information. We work all around the world. A few weeks ago the government of Seychelles adopted our service standards. It makes you feel good about what we have here in Ontario.

My job is to share Ontario's story. It's a great job, by the way, because I get to talk about our public services and the things we've accomplished over the years, with 130 nations since I took this job in 1997. Countries like China are here every week, different parts of the Chinese public service, rebuilding their public services. I can only count China once, even though they spend lots of time coming to us.

What it does for Ontario is it creates a new kind of government. We have ministries, but now we're integrated around policy, we're integrated around compliance and inspections, we're integrated around support, we're integrated around services to business and individuals. In other words, that gives the government much more flexibility. If it has a new issue and has to create a ministry, it doesn't have to create and replicate a whole ministry. The cost to government is much more efficient. The government can be served in a much more integrated way.

**Mr Dunlop:** Thanks very much, Mr Daniels.

*Interjection.*

**The Vice-Chair:** No. At this time, if you want to continue, you already have nine minutes of your time taken off, so 11 minutes left.

**Mr Dunlop:** OK. Mr Daniels will be here for the rest of the day, so we can ask questions after.

**The Vice-Chair:** That's fine.

**Mr Peters:** I want to thank Mr Daniels for the presentation. I think that presentation should be made to every constituency office to make sure that in a non-partisan way all our staff are fully aware of all the services. I would encourage you to do that, because I thought it was very good. Thank you.



Out of this presentation, I'd like to know how many kiosks exist in the riding of Elgin-Middlesex-London. If the answer is not available today, you can find out and get back to me.

**Mr O'Toole:** Each constituency office should have one.

**Mr Peters:** That's a good point in itself. Maybe each constituency office should. But I'd like to know how many kiosks exist in the riding of Elgin-Middlesex-London.

**The Vice-Chair:** I hope no one asks me about points of order after this. I allowed this to go. I'm not quite sure about the relevance to the Premier's office—

**Mr Peters:** I'm coming back to the Premier's office—

**The Vice-Chair:** Because you're asking all that, I don't want any more points of order making reference to what is happening now. Go ahead.

1630

**Mr Peters:** Thank you. Also, in the presentation that was just made, it was pointed out that we have 5,000 inspectors in Ontario covering a wide range of services. I would like to know how many of those 5,000 inspectors are full-time equivalents, how many are contract employees, and what the comparable numbers would have been in 1994 for full-time equivalents and contract employees.

*Interjection.*

**Mr Peters:** I'm not pushing it; he brought it up in the presentation, so don't be calling a point of order.

**The Vice-Chair:** Let's have the discussion through the Chair.

**Mr Peters:** If you can't answer that right now, I can wait.

**Mr Mazzilli:** On a point of order.

**The Vice-Chair:** That's not a point of order. I'm going to shut this part down, about this dialogue.

**Mr Peters:** He said there were 5,000 inspectors in the province in his presentation. I want to know about those 5,000 inspectors.

**Mr Dunlop:** Mr Peters, could I ask you to repeat that? I have a response back for you.

**Mr Peters:** In the presentation that was just made to us, the figure of 5,000 inspectors was used. I would like to know, in 2002, how many of those inspectors are full-time equivalents and how many are contract employees? I would like to know what the comparable numbers were in 1994 for full-time equivalents and contract employees.

I want to commend the powers of observation of the Premier's office staff who were here and saw me using the government—I'm assuming this is an internal phone directory. I'd be happy to circulate it to the members. I'm assuming they raced out and grabbed an up-to-date one, because the one I'm using is dated September 17.

In a previous meeting, we were told there were 44 people working in the Premier's office. I don't know what this directory looks like today, but if I add up everybody who's in the Premier's office—and I'm not adding in the Premier's security; I'm not even going to put on the record how many are in the Premier's security

office, respecting the security of that, and I'm not counting the staff of the two parliamentary assistants. I was told there are 44 staff who work in the Premier's office. On September 17 there are 51 listed. Then you go into the Cabinet Office and you go to the Premier's communications support and the Premier's correspondence unit and there are another 35 individuals named there listed under Premier's office.

I come back to the question I asked previously. If we're trying to compare apples to apples in terms of looking at the Premier's budget, some things are in the Premier's office and some are in the Cabinet Office, but they're all there to support the Premier. You told me 44 people work in the Premier's office. On September 17, these people in team development, which you said has since been disbanded, were listed. I was wondering if you could table a current, up-to-date copy of this phone directory, and could you explain to me why there is a discrepancy in the number of employees?

**Mr Dunlop:** Thank you very much for the question, Mr Peters. There were 44 as of last week, and I stand by that. I'm going to ask Mr Dean, the deputy minister, to comment on the Premier's correspondence unit.

**Mr Peters:** No. I'm more interested in the discrepancy between the 51 I total in this phone list here of Office of the Premier compared to the number of 44 that you presented to me.

**Mr Dunlop:** And that's what we're going to try to answer.

**Mr Tony Dean:** We'll start with the September 17 list. We thank you for circulating that; it's very helpful. It probably would be helpful for you to know that as well as excluding the offices of the parliamentary assistants from this list you've mentioned, the people in the team development group have moved out. The public appointments unit, which I think is on your list—

**Mr Peters:** Correct.

**Mr Dean:** —is actually a part of Management Board. The Premier's correspondence function is part of Cabinet Office, as we mentioned earlier. There is a constituency office on this list that wouldn't be part of the Premier's office. There's a public inquiries function; that would be part of Cabinet Office. You have mentioned already the Premier's security, and I'd add to that the Ministry of Intergovernmental Affairs, which is listed—

**Mr Peters:** I didn't count those. Then you're at your 44, because if you subtract two for people in development, two for public appointments and three for public inquiries, you're at 44.

**Mr Dean:** OK. I'm pleased about that.

**Mr Peters:** Well, if you're telling me there are more—maybe there are more people not working there?

**Mr Dean:** As to the second part, the functions carried out by Cabinet Office—you specifically asked about the Premier's correspondence unit. That is part of the civil service and part of Cabinet Office in the same way that correspondence units are in other ministries. It has been this way in Cabinet Office, we believe, for close to 20

years. This is a long-standing separation. It is a communications function.

Again, just to point out—for me personally it's quite important that this distinction is made: on the civil service side or the public service side within Cabinet Office of course we are responsible for the due diligence, for ensuring that ministries and indeed the Premier's office adhere to government guidelines and requirements. We are charged with communicating with all ministries through the public service side to ensure that we are translating down to ministries both in a communications sense and a policy sense and actually also a fiscal sense the priorities of the Premier and his staff, but we're also translating up those interests and priorities of ministers and their deputy ministers.

Specifically, I can say that Cabinet Office does provide support on correspondence. It provides impartial advice on policy matters, issues monitoring, and on communications. This is an area which, as you all know as elected officials, is becoming tougher and more complex as each year, if not each week, passes, the whole issue of communications and issues management. There, given the growing transparency of government and interest in government operations from both the media and other institutions, the communications staff in cabinet office work to ensure that ministries are again adhering to public policy and public service guidelines in terms of the impartiality of advertising and things of that nature and, if you like, managing the business of government from an administration and public service perspective.

To contrast that with what those similar functions would do in the Premier's office from a policy, fiscal and communications perspective, the Premier's office staff are obviously very much, as the name implies, interested in the political, keeping caucus informed, ensuring that the government stays on track in terms of meeting priority commitments. As they work with ministries and move across government and down government, their primary point of contact is with ministers' offices. So very similar functions—certainly we do have two groups of communications professionals—but doing quite different things day in and day out, but of course we're working very closely together in an ongoing sense.

This is important, because as Art mentioned just a short while ago in terms of connectedness and lining up the functions of government, we have moved in the space of the last several years from a situation in government where we were not only disconnected organizationally but where policy, communications and fiscal considerations were actually considered quite separately and at different points in time. One of the additional ways in which we've tried to show leadership, and I think are being emulated elsewhere, is in the effort that has been placed in the Ontario government toward ensuring that when a policy initiative comes forward, the fiscal due diligence, fiscal considerations and communications issues are moving parallel through the system. This has meant that a whole lot of work has to be done by ministries both on the political and civil service sides, but

if I can put it this way, I think it's one of the huge breakthroughs we've made internally in terms of more effective government. You've seen the external side of it in terms of the presentation Art made.

**Mr Peters:** Would it be possible to have tabled an up-to-date list of the Cabinet Office and the Premier's office staff? It's actually quite handy, because a lot of these names and phone numbers don't exist in the 2002 phone book and it's nice to be able to pick up a phone and make some direct calls. Would it be possible to have this tabled?

**1640**

**Mr Dean:** We'll endeavour to provide that, yes.

**Mr Peters:** Thank you.

Mr Dunlop, in previous discussions here I left a number of questions with you. At the last meeting you said you had some answers for me. I'm just wondering if maybe you want to go through some of those areas where you have some responses, and we can take it from there.

**Mr Dunlop:** OK, that's good. First the comparison of salary allocations: that was something you brought up on the first day and I wanted to respond to that. By the way, I have your pins for you too. I wanted to make sure you have your province of Ontario pins today.

First of all, you asked why the Office of the Premier salaries increased by \$600,000 from 2000-01 to the present day. My response is that the Premier's office salary and wages allocation did not increase by \$600,000. You were comparing past expenditures to current estimates in the estimates book. Through prudent management of resources, our actual expenditures generally come in below the allocation. For this year, 2002-03, we have taken a voluntary 5% reduction in the Premier's office budget estimates. That's something Premier Eves wanted to see occur, and of course the staff have come through with that. That's why it's in the estimates book today.

Another question that came up was on—

**Mr Peters:** Just before you go on, I want to make sure I have it on the record that the pins weren't for me; they were for a pin collector.

**Mr Dunlop:** Mr Peters, I have a pin for everybody on the committee. If you need a few extra, I'll be happy to get some for your constituents as well. I don't know how many people realize that Ontario's Promise is a very successful program in our province.

**Mr Peters:** Yes. I'd prefer to hear about the Premier's office right now, though.

**Mr Dunlop:** You didn't want to hear more about Ontario's Promise?

**Mr Peters:** Not right now, thank you. I'd like you to deal with some of the outstanding questions.

**Mr Dunlop:** OK. I guess we can go into that a little more later on.

**Mr Peters:** Unless you've got the answer of how much the former Premier's office is costing and staff associated with the Ontario's Promise project.

**Mr Dunlop:** That's something we'll try to obtain.

**Mr Peters:** I think that was on a previous question.



**Mr Dunlop:** Another question from Mr Peters was on the Premier's travel allocation. You asked me why the estimate of the Premier's travel is only \$112,400 when the Premier travels across Canada and internationally. As was noted, in accordance with the practice of previous Premiers, some of the Premier's travel expenses are covered by the ministry to which the initiative relates, and of course that's reported in all of our public accounts.

For example, when the Premier travels to a first ministers' conference, those costs are covered by the Ministry of Intergovernmental Affairs. Obviously, there is a number of first ministers' conferences over the course of the year. We will get into intergovernmental affairs a little later on, when we start into that on Wednesday afternoon.

In fact, having the Premier serve in a dual capacity of both Premier of Ontario and Minister of Intergovernmental Affairs actually reduces these costs, so there are some savings to that. Premier Eves has gone back to what some of the other Premiers had done previously, being Minister of Intergovernmental Affairs as well as the Premier.

Variances in the staff lists was a question you asked about. I'd like to take this opportunity to respond to that question about the variances in the Premier's office staff lists as they appear in the directory. We've gone over that somewhat here today. They're quite simple. The information that appears in the government telephone directory is compiled from data collected each fall and the telephone directory is then printed in the fall of each year. Certainly there are many changes from December or November of the fall season to a year later. Therefore, the 2002 telephone directory, which was printed in the fall of 2001, reflects the staffing and the departments of each ministry as of October 2001. Of course that's now almost 13 months old.

Obviously, since October 2001 a number of organizational changes have taken place. Some of the Premier's office staffing and departments have changed since the 2002 phone book was published, and of course we've seen there have been many changes even since September 17. I stated previously that at the present time the Office of the Premier has six departments. They are—again I'll repeat it—the chief of staff, policy, issues management, communications, tour and public events, and special projects.

Advertising expenditures: you also asked me about the Premier's office expenditures for advertising. That came up last week. I'd like to advise the committee, and through the chairman to Mr Peters, that the Premier's office does not use its budget allocation for government advertising. Ministries are responsible for the purchasing of ad space or any air time.

**Mr Peters:** Can I ask a question on that? I was watching this morning on CFTO, Canada AM, and there was an advertisement on the television sponsored by the Premiers of Canada—

**Mr Mazzilli:** The Premiers of Canada?

**Mr Peters:** The Premiers of Canada—

**Mr O'Toole:** About Kyoto.

**Mr Peters:** No, it wasn't about Kyoto; it was about health care.

**Mr Dunlop:** It's on the Premiers' Council of Canada.

**Mr Peters:** OK, you just told me that the Premier's office doesn't advertise, but this said it's sponsored by the Premiers, so who paid for that ad that I saw on television this morning?

**Mr Dunlop:** That's a question I would actually like, if we could, to leave until intergovernmental affairs, because we'd like to do quite a bit of discussion on health care and the cost allocation to those—

**Mr Peters:** I'm talking about the cost allocation of that ad that I saw on television this morning. It said it was sponsored by the Premiers of Canada, so who paid for that? Who paid Ontario's one-eleventh share?

**Mr Dunlop:** My understanding right now is that money came out of the Ministry of Health in each territory and province. It came out of their health allocation. But, if I may, Mr Peters, I think we'll—

**Mr Peters:** If you can find out, because that ad aired at about 10 to 8 this morning.

**Mr Chudleigh:** It's been on for a couple of weeks.

**Mr Peters:** I don't have cable at home.

*Interjections.*

**Mr Dunlop:** Mr Peters, I just want to point out to you that is something that we'll deal with a lot under intergovernmental affairs and health care. We'd like to deal with—

**Mr Mazzilli:** What's the purpose of that ad?

**Mr Peters:** He just said we're going to deal with it under intergovernmental affairs.

**Mr Dunlop:** If we may. It's interesting. It's on the federal shortfall of health care funding in Canada. We would like to—

**Mr Peters:** Mr Chairman, if you don't mind, the member said we're going to deal with it in intergovernmental affairs, so I'll wait for the answer.

**The Vice-Chair:** Mr Mazzilli, would you mind giving Mr Peters his chance to ask his question?

**Mr Dunlop:** We'll deal with it under intergovernmental affairs.

**The Vice-Chair:** You'd better wrap up now.

**Mr Dunlop:** I'm not going to have time to wrap up all the answers—

**Mr Peters:** On my next round I'll have to wait for some of those answers and, if not, they could be tabled with the committee. My main interest is an up-to-date copy of these full lists.

**Mr Dunlop:** We'll see what we can provide you with.

**Mr O'Toole:** Mr Chair, I seek unanimous consent—they've gone to a lot of work here—that they be allowed to put the information on the record that Mr Dunlop has—

**Mr Peters:** My time's up, though.

**Mr O'Toole:** Yes, but I think they're all questions that have been raised. Unanimous consent?

**The Vice-Chair:** Put what on the table? I don't know what.



**Mr O'Toole:** Agreed.

**The Vice-Chair:** What?

**Mr O'Toole:** Well, he's giving a great deal—

**Mr Peters:** So what are we going to do, Mr Chairman? Are we doing the same thing? The time comes off, like yours?

**The Vice-Chair:** Order. What is it you're putting on the table? I don't know what the request is.

**Mr Dunlop:** I've got a couple of responses yet to some of the questions Mr Peters asked last week. I told him I would try to get those responses.

**Mr Peters:** I'll wait until my next turn.

**The Vice-Chair:** It's Mr Bisson's time now for 20 minutes—

**Mr Dunlop:** OK, we'll get back to your questions after, in the next round.

**The Vice-Chair:**—and you can always just present it anyhow.

**Mr Bisson:** OK, there were a number of questions that I had asked a couple of weeks ago—

**Mr Chudleigh:** How'd the speech go?

**Mr Bisson:** It was quite good; it was about five minutes. It was all right.

**Interjection:** You needed a videoconference.

**Mr Bisson:** Yes. Was it closed-captioned? Did you get to see it?

**Mr Chudleigh:** I can't read it from here, though.

**Mr Bisson:** OK. There were a couple of questions I had asked you last week. You came back and responded on one of them for CN. There were a few others. You were supposed to give me a written response and I haven't got that yet. I wonder if you can get that?

**Mr Dunlop:** I still haven't got the written response for you, Mr Bisson.

**Mr Bisson:** You don't? Can we get that tomorrow?

**Mr Dunlop:** We'll do what we can, OK?

**Mr Bisson:** All right, that would be a good thing.

Just to come back a little bit to what I was asking a little while ago, I guess what I'm wondering is, who co-ordinates the lobbying that goes on inside the Premier's office? We know that according to government legislation that was passed under the Harris government, there is lobbyist registration legislation that's in place. I think that's a good thing. I don't argue that it's a bad thing. I'm just wondering, how do you ensure that people who are coming in to lobby are indeed subject to that legislation and, if they are, are they double-checked against the lobbyist registry? That would be my first question.

**Mr Dunlop:** Thank you very much for the question. I'm going to have to ask Tony if he can possibly respond, but I don't have that.

**Mr Dean:** Right now, I'm unable to, but I'll get an answer for you as quickly as I can.

**Mr Bisson:** Could you? Basically what I want to know specifically is what the process is because, obviously, if I lobby more than 10% of the time, I think the legislation says you're considered a lobbyist. I just want to know, how do you ensure that in fact this person is supposing to be a registered lobbyist, and if so, and if

they should be under the legislation, how do you go back and double-check that they've actually been registered?

**1650**

**Mr Dunlop:** We can get back to you

**Mr Bisson:** Are you going to get back to me? That's fine, I accept that as an answer. I don't expect to have everything answered immediately. Well, I'll need an answer before I get to all the other ones; that's the wonderful thing about that question.

To get back to the issue I was asking you around the CN question, there's a fair amount of concern in conversations that I've had with community leaders—nice plaque, thank you. I think I've just been given an award.

**Interjection:** Not even close.

**Mr Bisson:** It looks like I got it. Thank you very much.

There's quite a bit of discussion amongst community leaders in northeastern Ontario and as well people who are out there chatting it up in regard to what's happening with the Ontario Northland, that in fact there is going to be some kind of assurance, that in these negotiations that your government has undertaken with CN for the eventual sale of Ontario Northland, there are certain premises to the negotiations that basically try to ensure that certain points are met, that certain objectives are met in negotiation; and I'd asked you the other day in regard to services being provided vis-à-vis rail passenger service up along Highway 11 from Toronto all the way up to Cochrane.

In your answer you had said that the Premier's office was interested in making sure that the negotiations had as a starting line that no erosion of services would happen as of this point—from the point of sale or transfer, or whatever it is that you decide to do. Is it the plan of the Premier's office to make sure that there is something written down, in the contract of sale that obliges the new owner, should it be sold, that there would be a certain benchmark when it comes to level of service that needs to be provided, or is that just left up to the new owners if you do sell it?

**Mr Dunlop:** I think I tried to make it as clear as possible that some of the most important commitments in the request for the proposal, of course, were job protection, the economic development of the north and service improvement. That, I believe, is part of the request for the proposal that they would work on right today.

I don't think there's a member we don't hear from in the north, or any part of the province, who doesn't feel that the economic development of their community, and a strong voice for job creation—we as government and government members in particular—the one thing we're probably more proud of than anything else is the number of jobs that we've actually seen created right here in Ontario. That is why we're so excited. Just a week ago when the September job creation numbers came out from across Canada, we saw that 80% of the new jobs created in our country in the month of September were created right here in Ontario, with 32,000 new jobs.

Minister Ecker is keeping her fingers crossed—as we all are. We want to see the job creation numbers for October come out and we want to see that number one million up there as the figure for job creation since we've come to power in 1995.

Certainly, the request for the proposal, meaning strong economic development, job creation and service improvement—we know how important it is for you and that's what we believe will be the end result for the CN and Ontario Northland.

**Mr Bisson:** I guess the difficulty I'm having, with all respect, is that we've seen a decrease in population in northern Ontario by almost 10% since you've come to office. So I have a bit of a hard time accepting that things are better economically in northern Ontario than they were seven years ago. But that's not my question.

I disagree. I don't think that you should sell off Ontario Northland; I think it's a mistake. Certainly when we got rid of norOntair, which was the air wing of the ONTC, we were promised that in the transfer of services to the private sector, the east-west links that were established by norOntair would be protected by the new carriers coming in, and now we're at the point where they're not. You're paying exorbitant amounts of money for whatever connections exist, and a whole bunch of connections that used to exist are non-existent: You can't fly out of Kirkland Lake, you can't fly out of Earlton; you can't fly out of Hearst, and the list goes on. Those communities are basically stranded. It's either the highway or the highway; that's basically the choice. One of the only other connections of transportation they have is rail service.

My question to you is, if you're going to undertake privatization, which I don't agree with, but if you are going to undertake it, is the government intending to put in the negotiations and eventually into the contract of sale some sort of mechanism that gives an assurance to northerners that a certain level of service will be demanded by the new owners, at least at the very beginning, and what their plan is over the longer term? Or do you just leave it to the whim of the private sector?

**Mr Dunlop:** Mr Bisson, I have to tell you right up front that I don't have all the details of the RFP that CN will work with under the Ontario Northland rail system. I understand the importance of transportation in the north. I know, as a member of the Premier's task force on rural Ontario—I think Mr O'Toole sat in on some of the meetings—we visited the north. We visited your community of Timmins and Kenora, and I believe Rainy River. We visited a number of communities and we heard over and over again how important not only rail service and good highways are, but air service as well. That's certainly an issue that all communities in the north are concerned about.

I have to tell you, though, that the two numbers that come to my mind immediately since 1995 are the amount of money we have spent in the north on new road construction projects—I think the total now, since 1995, is about \$6.5 billion that has been spent right across our

province on Ministry of Transportation road construction. Since 1995, on Highway 11 between Orillia and North Bay—and I'm sure Mr Miller must be really happy when he hears these numbers, because most of that's through his riding and not mine—there has been over \$300 million spent on that particular stretch of highway. Also, on Highway 400 between Port Severn and Sudbury, another area where Mr Miller has a number of kilometres of road, \$342 million has been spent on that particular stretch of highway.

So our government believes very strongly in a strong transportation system, and we would hope the same thing would be built into the Ontario Northland as well.

**Mr Bisson:** Every government—mine, yours and those before us—spent money on highway construction. If I remember the figures correctly, I think our budget on capital for MTO for each of the years we were in government was \$1.8 billion. So I can sit here and say, "We spent more than you," but what's the point? All I'm asking is this. Your government is undertaking the privatization of what is, for northeastern Ontario, one of the important rail links, one of the important links of communication and transportation that we have. In many cases it's the only game in town. In many of the communities, like Hearst and others, there is no way to get out of town other than the highway because they don't have air service. For a lot of the manufacturers in the woodlands industry or the mining industry or others, it's basically the cheapest way to get their product to market.

What I am concerned about is that if you are going to undertake a privatization, the Premier's office—I know he is very involved in this; he has made it known, and to his credit. I'm not complaining against this point. He has made a point of saying there will be no job losses in the transfer to CN. All I'm saying is that if you're prepared to do that as a government and the Premier is prepared to intervene at that step, I think there have to be certain benchmarks put in the CN contracts if they do sell it. Again, I want to say I don't agree; we shouldn't sell it. But if you do, it seems to me we have to hold CN's feet to the fire and there have to be certain requirements on the sale that certain services stay in place. All I'm asking you is, is the Premier giving direction that there is a basic level of service that would be no worse than it is now and that would be maintained by CN, should the CN sale happen?

**Mr Dunlop:** We have a commitment to that, and as I said earlier, the job protection is very important.

**Mr Bisson:** OK. So you're saying that indeed it is one of the requirements that the Premier's office is going to make sure that happens. That's all I'm asking.

**Mr Dunlop:** Job protection, economic development—

**Mr Bisson:** And a base level of service.

**Mr Dunlop:** —and service improvement is what the plans were for the RFP.

**Mr Bisson:** Now let me bring in the other parts. I accept that at face value. Again, I want to say that I don't agree you should sell this, but you're saying that if it is sold, the government is going to make sure in negotiation



that we are no further back in services than we are now. Correct?

**Mr Dunlop:** That's true, and that will continually be part of the discussions with CN.

**Mr Bisson:** OK. I take that at face value.

The second part of this is how it impacts First Nations communities. As you well know, for the communities of James Bay, it is the only show in town. There are no roads. The only way you can transport goods into James Bay at any kind of rate that makes sense when it comes to transportation is by rail. So one of the most important links for the James Bay coast is Ontario Northland. As I said, your government has decided that they want to sell it off to CN. I disagree; I don't think we should be doing that.

1700

I think one of the difficulties we have, and this is just my philosophical belief, is that we have no difficulty, as a concept of public policy, in supporting roads—rightfully so. You said correctly that Mr Miller has had a pile of money spent in his riding to build up our system of public highways. Great announcement. Good work. I have no argument with you. But we seem to have a difficulty when it comes to spending money on rail infrastructure. I fail to see, quite frankly, what the difference is from a public policy perspective, why we're not prepared to support rail infrastructure. The two, to my way of thinking, are somewhat related.

What I want to get from you is some sort of assurance about the very special role the ONTC plays for the James Bay communities of Moosonee and all those further north, that there is going to be some sort of mechanism in negotiations which ensures that those communities on James Bay that rely on rail passenger service and rail freight service are not going to be negatively affected. So for the Polar Bear Express run from Cochrane to Moosonee, are there any kinds of conditions being given to the negotiations to ensure that we're protecting rates, that we're trying to make sure we're no worse off when it comes to services that are provided on the James Bay coast?

**Mr Dunlop:** My understanding of the government is that we plan on utilizing the expertise of CN. As far as I am concerned, as I said earlier, job protection, more economic development in the north and service improvement—I think those are priorities of not only the Premier but of Mr Wilson, the Minister of Northern Development and Mines, as well.

I know you agree with the private partner—

**Mr Bisson:** We don't agree.

**Mr Dunlop:** —and you've said that many times today. I understand that; I know where you're coming from. But we think that this is a win-win situation for all. With job creation and increased economic development in northern communities and service improvement to those communities, we think that can be a win-win situation for everyone.

**Mr Bisson:** But specifically to the line that has been Cochrane to Moosonee: as I said, and I'm not going to

repeat it because the point was made, to those communities, that's a lifeline. All I'm asking you is, in your negotiations with CN, are there going to be some assurances given in the sale, if it should happen, that services that are provided from Cochrane to Moosonee will at least be maintained at the current level of service and that the rates will not go up upon transfer of the rail services to CN?

**Mr Dunlop:** Mr Bisson, if in fact the deal closes with CN, any deal with CN will reflect our government's commitment to protect jobs and to improve service to those communities.

**Mr Bisson:** I'm still not comfortable with your answer. I just want to make sure, because there are a lot of people who are nervous about this. In speaking to the mayor of Moosonee, to a number of people who are basically involved in the business community and to a lot of the native leaders along the coast—they're worried about this. They're saying, "What kinds of assurances do we have in Moosonee, Moose Factory and other communities that we're not going to end up with worse service and higher prices?"

All I'm asking is a very simple question: is it the base part of your negotiations, the floor of the negotiations, that CN upon takeover will make sure that the clients are no worse off when it comes to price and service?

**Mr Dunlop:** Let's make it clear: no final decision has been made. That's the key thing. But at the conclusion of the negotiation period, the government will review the final agreement to ensure that it maximizes the service improvement objectives for the people of northeastern Ontario before granting any final approvals. So yes, it will be an improvement in service, job protection and economic development.

**Mr Bisson:** So you've answered that part of the question.

The only other comment I would make is this. I wonder about the political logic of the government's decision to do this in this time frame. You're going to be making a decision, smack in the middle of an election, about privatizing a service that goes across a number of northern ridings. I just say, boy, if you guys want to do that, you're welcome to it. You will pay the price for that come election time. If I can give you any kind of advance warning, it's that the timing on that could not be worse for you. I just thank you for the opportunity.

**Mr Dunlop:** Thank you for your advice on that particular issue. We appreciate that.

**Mr Bisson:** I can't understand the logic.

Moving over to the forestry industry: as you know, in northern Ontario there are a number of industries that are important, but forestry and mining—do I still have enough time?

**The Vice-Chair:** It's just that you've been so wide on everything. Where are you now: in the forestry industry?

**Mr Bisson:** Because we've expanded this to Cabinet Office. Basically, the Premier is the head of cabinet and he's the one who decides what the policies are, and I'm getting into a question of policy on forestry.



**The Vice-Chair:** You've got three minutes.

**Mr Bisson:** Thank you.

**The Vice-Chair:** But we seem to be, on all of this, expansive of these issues.

**Mr Bisson:** Well, I'm just following the lead of the government. If they want to make cabinet presentations, that's fine by me.

Now, I think you'll agree with me that two of the key players in the economy of northern Ontario—and there are others; we understand there are many other industries that are important to us—are forestry and mining. I don't know if you're aware of the sustainable forestry development act and how it works, but it basically says the trees that are in our forest are crown trees and are there for public good. Companies have the right to cut those trees and process them by way of licence, through that legislation, but the bottom line is the trees that are cut are for the benefit of the community.

I just want to clarify something with you. Has there been any policy change from the Premier's office when it comes to the mechanism of how we interpret the sustainable forestry development act that allows how we treat the disposition of timber differently than before 1995?

**Mr Dunlop:** I listened to your question, and it's a Ministry of Natural Resources question. I simply don't have the answer to that right now.

**Mr Bisson:** The reason I raise it is because there has been an issue going on for some time that I've been checking into, and I'm being told that there's some discussion at the Premier's level on this issue. That's why I'm relating it back to these estimates, because it's the forum I have to do that. Specifically, what I need you to look into, if you could do that and get back to me tomorrow, is a very simple question: has there been a decision on the part of the Premier to change the way we do the disposition under the Crown Forest Sustainability Act?

**Mr Dunlop:** We'll see if we can obtain that information for you for tomorrow.

**Mr Bisson:** I take it that's all the time I've got left?

**The Vice-Chair:** You've got about a minute.

**Mr Bisson:** I'll give it to the Tories. A minute doesn't give me enough time to work up a sweat.

**Mr O'Toole:** We'll just deduct it from the time that was taken earlier.

**Mr Chudleigh:** You don't have another question, do you, John?

**Mr O'Toole:** I intend to share all my time with Mr Chudleigh, actually. I want to thank the previous presenters for celebrating excellence and accountability. That presentation was excellent, as we all said. From that, the only thing I could suggest is that each constituency office—Mr Chair, I don't think you're listening.

**The Vice-Chair:** I'm listening. I just want to make sure to tell you that you only have about nine minutes, so don't think you're going to do that for 20 minutes. You've already given up a considerable amount of time.

**Mr O'Toole:** I thought we were going to share that—

**The Vice-Chair:** You have nine minutes.

**Mr O'Toole:** We all benefited from that, so I want each party to reduce their time. I seek unanimous consent for that. It's only fair.

**Mr Peters:** I don't have a problem.

**Mr O'Toole:** See, this is quite open, Chair.

**The Vice-Chair:** I want to keep it in order. We've got nine minutes over here, which is reduced time. Will you continue?

*Interjection.*

**Mr O'Toole:** Thank you. Agreed.

**Mr Peters:** No.

**The Vice-Chair:** I didn't hear consent. Can we proceed?

**Mr O'Toole:** I'm sure that you, as the Chair, will be more than fair.

I want to—I'm not sure everybody's paying close attention. I thank Mr Daniels for the presentation. The only suggestion that came to me, and Mr Daniels and I have spoken about this before, is that constituency offices in 103 ridings in this province are already connected to Queen's Park, every one of them. I have constituents, small business and other people looking for birth certificates etc. What's the problem with us logging on? We do all this stupid paperwork anyway. We're secure. They should automatically become sites, starting tomorrow morning.

**Mr Bisson:** What are you saying, John, that we should be able to get into—

**Mr Peters:** Like kiosks.

**Mr O'Toole:** The kiosks that they explained in the e-government kind of model.

**Mr Bisson:** I thought you meant we could tap into the ORG database, and I was going, "Hell no."

**Mr O'Toole:** I mean that quite sincerely, the forms and the other things that are available. Those offices are already paid for by the taxpayers. That isn't a political process; it's convenience for constituents, regardless of stripe. That's what our offices do, all of us.

**Mr Chudleigh:** Are you finished?

1710

**Mr O'Toole:** No, I'm not finished. I do want to make sure that that is put on the record. I'm asking now for the second time. It's a public office; it is for the most convenience. If our constituents come in with a lost wallet, what's this sending them to the library all about, or some business kiosk? We're there, we're able. I want to do the job; we're being paid to do it. Instead we have to fax somebody or send something else to the—

**Mr Dunlop:** You may want to check, Mr O'Toole. That might add quite a workload to your—

**Mr O'Toole:** Good. We're there to do it. There are only 24 hours in the day. If it exceeds 24 hours we'll have to do it the next day.

Anyway, that's very important. We're adding a lot of these little business things that are just off on their own and are not connected.

*Interjection.*

**Mr O'Toole:** No. In fact, there are people there being paid that I'm not sure are doing anything.

I think the achievements of this government are sometimes understated. I want to put it on the record, if you have a list here of the achievements of our action plans, and give you a couple of minutes to respond to that. Well, you probably need an hour, because the achievements are endless.

**The Vice-Chair:** Just a moment. I give a lot of allowance for us to discuss a lot of things. But we're on the estimates specifically. I don't want to hear a wild thing about—I've heard from forestry to transportation, all that. What is it you're asking now that he can give a presentation on?

**Mr O'Toole:** Just a list of the achievements of the Eves government. This is the Premier's office, the Premier and leader of this province. In my view, the achievements—there probably isn't enough time in the rest of the estimates.

**The Vice-Chair:** Mr Dunlop, if you want to respond to what he asked with the Premier's office, you've got about four minutes to do that.

**Mr Chudleigh:** Garfield, I need two minutes.

**Mr Dunlop:** Mr Chair, have we got just four minutes left today for the government side?

**The Vice-Chair:** On the government side.

**Mr Dunlop:** Well, I don't have the time to cover the action plan in that. If I may, I'd like to make some comments on the kiosks, because that question came up a little earlier and Mr Daniels did present me with some information. There are currently 61 government kiosks in the province. That will go to 300 next year, so a total of 300 in the year—

**Mr Bisson:** Does that include the 103 for the constituency offices?

**Mr Dunlop:** No, that doesn't include anything for the constituency offices. I think that's something we should all talk very carefully about before we add kiosks in our constituency office. I think it's important to note, though, that what Mr Daniels was saying was that we've come a long way in the last few years with technology and making sure information is provided to the public, and it is expanding very rapidly. So 300 next year. I don't have any amount for your particular riding, Mr Peters.

Mr Chudleigh, I understand you have a question?

**Mr Chudleigh:** I just wanted to let you know that the Ontario licensing bureaus—I have three of their offices in my riding: one in Milton, one in Acton and one in Georgetown. These don't have kiosks. These are the old-fashioned way. You have the personal touch. These people talk to every constituent who comes in and renews a licence. I understand from Mr Daniels that the kiosks do a broader range of work and also renew licence plates.

I'd just like to point out that for the last eight years I've asked the Ministry of Transportation not to put any kiosks in my riding, because in Halton we like the personal touch. I'd like to reiterate that request, that if there are going to be 300 new kiosks going in, I'm sure there are lots of ridings that would like them; I would like none of them to be in my riding of Halton, thank you very much.

**Mr Dunlop:** Mr Chudleigh, I don't know if you have an Ontario government business centre or information centre in your riding?

**Mr Chudleigh:** There's one just south of me, yes.

**Mr Dunlop:** We have one in Simcoe county, located in the city of Barrie. I would highly recommend that any of the members of any of the parties take their constituency staff to those particular information centres. There's a wide variety of information, including some very valuable information that the federal government and the local municipalities also provide to those centres. I think they're important to the constituency staff so they can send folks to those. They'll do everything from birth certificates right through to—

**Mr Chudleigh:** My problem isn't with those other government services. My problem is, in terms of renewing and issuing licence plates and drivers' licences as done now by the private enterprise people who represent government services in those areas for MTO throughout Ontario and in three places in Halton is that they do an excellent job and I would not like to see that personal touch replaced by a machine. That personal touch is very important.

**Mr Dunlop:** Do your banks in Halton have any banking machines?

**Mr Chudleigh:** Yes, we've got banking machines. We also have live people where you can go to a teller and they give you money and things like that.

**Mr Dunlop:** I'm glad to know that. Thank you.

**Mr O'Toole:** It's old-fashioned, but it's—

**Mr Dunlop:** It's old-fashioned and service-oriented.

**Mr Chudleigh:** We're a very traditional community.

**Mr Peters:** I'll just continue. I think Mr Dunlop has some further answers to some of my questions, if you wouldn't mind, Mr Dunlop.

**Mr Dunlop:** We were dealing with some of the advertising expenditures at the Premier's office. I mentioned earlier that I would like to advise everyone in this room that the Premier's office does not use its budget allocation for government advertising. Ministers are responsible for the purchasing of ad space or air time. As I said earlier, the ads you see on TV with the Premier's Council of Canada we'll bring up next week in the Ministry of Intergovernmental Affairs estimates meeting.

The ministries themselves are also responsible for the planning and implementation of ad campaigns such as, for example, reforms to health care and education, free flu shots for all Ontarians, and promoting our province as a tourist destination. We've all seen all of these ads on TV and on radio and in newspapers as well.

Through the Cabinet Office, ministry communications branches receive support and direction on a wide range of communications activities, including news releases, public education and advertising.

The Ontario government has worked very hard to provide clear rules on how tax dollars can be used by government for advertising purposes. The Management Board Secretariat recently developed a new advertising content directive and guidelines that give taxpayers a



clear and open definition for paid advertising and sets the rules for government paid advertising as well. The content directive provides a clear distinction between legitimate government advertising and partisan or political advertising and brings existing advertising policies in line with the current best practices from other jurisdictions.

The Cabinet Office signs off on all ministry advertising, except for statutory advertising. This sign-off ensures that ministries are following the Management Board advertising directives and guidelines and promotes coordination among ministries to ensure that resources are used very wisely.

The final thing is that last week I was asked a question about the cost of signs. I still don't have that information. Those were the signs we talked about for the Ministry of Transportation about the construction projects across our province. I first thought they came from MTO, but in fact they are from SuperBuild, and I have not had an opportunity to provide you with that information yet.

**Mr Peters:** I had asked for further details about—you talked about the government jets, the fact that they were MNR jets. I was curious to know when the last time was that we purchased jets in the province and how much we paid. The other question was regarding the vehicles of the Premier's office: is the Premier's office setting an example of driving a made-in-Ontario vehicle? Again, you can do that without revealing the numbers, because I respect the security that goes with that office.

**Mr Dunlop:** Very simply, the government purchases vehicles that at least have parts made in our province and have manufacturing plants here in our province. We may buy a vehicle that's actually put together or produced in—let's say, for example, it's General Motors Yukon. Perhaps that vehicle—

**Mr Peters:** That truck frame was built in St Thomas, at the hydroforming plant that we beat Mr Chudleigh to.

**Mr Dunlop:** But it may very well be assembled in Detroit or in another state or another province.

**Mr Peters:** I'm still curious to know what percentage of our fleet, though—because I understand what you're saying, but you could say that with virtually any North American-made car; there's probably a component made at a plant somewhere in Ontario. But I'm curious to know about an Ontario-assembled vehicle. I use as an example the Crown Vic and the Grand Marquis built at the St Thomas assembly plant. I see that as a truly made-in-Ontario vehicle. Some of the plants in Oshawa—Mr O'Toole's riding: the Malibu. The Malibu is another police package vehicle we're seeing on the road right now. I'm curious to know: specifically a true made-in-Ontario vehicle and not so much the components.

1720

**Mr Dunlop:** The only one I know for sure is the Honda that Jim Wilson drives, because it's in his riding. He drives a Honda because it's manufactured there. But I'm not sure of the other vehicles. It's going to be really hard to pull those data together.

**Mr Mazzilli:** The police smash them up so they keep having to buy them all over again, which is really good for the economy.

**Mr Peters:** Yes. It sure is good for our economy, Frank.

**Mr Dunlop:** Particularly when we look at organizations like the Ontario Provincial Police, who order hundreds of vehicles a year because there's a constant trade-in—I'm very fortunate in my riding. I see a lot of these vehicles at the Ontario Provincial Police headquarters in Orillia. They have a huge, huge garage under the building and that's where all the decals are put on, the lights, and the decals are sent out—for example, a police car that's going to St Thomas actually has "St Thomas" on the side of it. They buy them probably a hundred at a time from different dealerships. They're sent there. They just simply get a white car and then the staff at the headquarters actually do all the work and send them out to the particular detachments they end up at.

**Mr Peters:** I'd still like to know the symbol that the Premier's office is, the example that he's setting as far as vehicles are concerned.

**Mr Dunlop:** I'll try to obtain that information.

**Mr Peters:** I still would like to know how much we spend on jets and how much—because there was a reference made in the last meeting to the federal government's foolish expenditure of \$100 million—

**Mr Mazzilli:** A lot less than Chrétien.

**Mr Peters:** Did you not just hear me? I just said "a foolish expenditure."

And I would like to know when the last time was that we purchased jets in Ontario.

**Mr Dunlop:** I think in fact Mr—

**Mr Chudleigh:** We bought them in 2000 and they were about \$10 million each.

**Mr Peters:** OK. I'd like that confirmed.

*Interjection.*

**Mr Peters:** Or turboprops—whatever they may be.

**Mr Dunlop:** But we don't have any of the new jets, or the new government planes.

*Interjections.*

**Mr Peters:** Mr Chairman, if we don't have a direct answer right now, I can wait. Do you have any more answers, anything else right now?

**Mr Dunlop:** That's all I had from the first day, but there are other questions.

**The Vice-Chair:** Could I at this time ask, when you made your presentation, opening comments, that you table it? I haven't received it yet—when you started, when you made your opening comments.

**Mr Dunlop:** That was our speech.

**The Vice-Chair:** Yes. I'd like to have it.

**Mr Peters:** And the next day you made another speech as well.

**Mr Dunlop:** OK.

**The Vice-Chair:** You promised that we would have it, and I haven't had it yet.

**Mr Peters:** How much time, Mr Chair?

**The Vice-Chair:** You've got lots of time: 13 minutes.



**Mr Peters:** I've got one question and then I'm going to exchange with the Chair to allow him an opportunity.

**Mr Dunlop:** Fine.

**Mr Peters:** Again today we saw an announcement made by the province about the introduction of the clean water act. I think one of the aspects you are really famous for as a government is these backdrops. I didn't see today's announcement but I'm assuming there was another backdrop behind the Premier that probably said "Clean Water."

**Mr Chudleigh:** No.

**Mr Peters:** There wasn't? OK. But I'd like to know about those backdrops. As an example, where do backdrops come in? Are they under advertising? Where would you find that line in a ministry's budget?

**Mr Dunlop:** We call those "wallpaper."

**Mr Peters:** Wallpaper?

**Mr Dunlop:** Wallpaper, yes.

**Mr Peters:** How much is that wallpaper a square yard?

**Mr Dunlop:** I have no idea, but it comes under the cost of each particular ministry. So I'm assuming, or I'm quite sure, that if there was wallpaper today, and I'm not sure if there even was, on any kind of announcement—I think you had a generic question for all the different ministries. There was none today but in fact it would come under the—

**Mr Peters:** I'd like to know what the annual wallpaper budget is at the province.

**Mr Mazzilli:** That's not a proper question.

**Mr Peters:** What do you mean, "It's not a proper question"?

**Mr Mazzilli:** You'd have to ask each ministry.

**Mr Peters:** But the Premier's office is responsible for each ministry. We talked a bit about advertising earlier, and he talked about each ministry being responsible, but the Premier is ultimately responsible. I'd like to know how much we spend globally in this province on advertising annually. I'd like to know what we spend in this province annually on wallpaper.

**Mr Mazzilli:** On a point of order, Mr Chair: We've had lots of leeway on both sides, but you can't call one ministry and get all the answers on all the ministries. Certainly the opposition had an opportunity to pick ministries, as we did. If you want to ask each individual ministry what their expenses are—

**The Vice-Chair:** It's not a point of order. I don't think that's a point of order for this one.

**Mr Mazzilli:** I think it is very much so.

**The Vice-Chair:** You may think so.

**Mr Peters:** On the same point of order, Mr Chairman: We've heard references made in a previous presentation to 5,000 inspectors across every ministry. So we've had the latitude of talking about ministries all across the board. The Premier represents the government. I'd like to know how much we spend on advertising and on this so-called wallpaper.

**Mr Dunlop:** To Mr Peters, before he takes his seat: certainly it's information on which I would have no idea

what the amount would be right now, but it's something that over time we can obtain. I don't think it's something I can get by tomorrow; I can guarantee you that.

**Mr Alvin Curling (Scarborough-Rouge River):** Mr Dunlop, does the Premier's office have only one parliamentary assistant?

**Mr Dunlop:** There are two of us.

**Mr Bisson:** Really? I thought there was only one.

**Mr Curling:** Mr Gill is the other one; is that it?

**Mr Dunlop:** We have both titles: parliamentary assistant to the Premier and Minister of Intergovernmental Affairs. The Premier has both responsibilities and we, as parliamentary assistants, share responsibilities in both of those ministries.

**Mr Bisson:** You mean to say Mr Gill is coming to intergovernmental affairs?

**Mr Dunlop:** I think I'm doing the estimates.

**Mr Curling:** The Premier, as you know, has one of the most responsible jobs in the government. I see that we have the government's communications strategy and, in the other part of the overview statement, "to support and advise the Premier on issues facing cabinet and the government." There's a very important issue facing the government and cabinet today, and that is the issue of racial profiling. What advice are you getting from other ministries in regard to the fact of racial profiling?

**Mr Dunlop:** What information we are getting?

**Mr Curling:** Yes, because the overview statement here says, and let me read it, "The purpose of the Office of the Premier is to coordinate and support the activities of the Premier; the government's policy development and legislative agenda; the government's communications strategy; and to support and advise the Premier on issues facing cabinet and the government." One of the most important issues today is the fact that they're receiving some racial profiling. Chief Fantino has some taken some initiatives in order to address that, but I'm wondering now what initiatives the government has taken, or what advice he is getting from the other ministries, in order to have a good communications strategy in that regard.

**Mr Dunlop:** We treat that issue very, very seriously. Certainly the Premier has indicated that in the House as well. Right now, though, the lead on that is the Minister of Public Safety and Security, the Honourable Bob Runciman. He would be providing the Premier with advice and direction on that particular issue as we speak.

**Mr Curling:** So from what you're saying, and I don't want in any way to embarrass you, the communications strategy is being developed for the Premier. It has not yet been developed to say what kind of strategy or how he responds or how this government responds or how the other ministries respond to this. There is no statement yet in this regard?

**Mr Dunlop:** We have nothing to provide you with on that today. As I said earlier, it's simply that any information being provided to the Premier would come from the Minister of Public Safety and Security.

**Mr Curling:** I wonder if you would be able to obtain some sort of statement for me. Not to embarrass you in

any way or embarrass the Premier, but there is a need for some strategy to be put out immediately to address this concern. Mr Runciman, the minister, has been quite responsive in the House about what he will do about that, about the summit, with some indication that he's prepared to do whatever necessary. But I've yet to hear from the government what they intend to do. I'm sure the Premier has huddled together the respective ministers to address this concern. If there is no answer to that now, I understand. But I just wonder if there's a strategy coming forth to address that concern.

1730

**Mr Dunlop:** Again, I'm not aware of that strategy at this moment. But as the Premier and the Minister of Public Safety and Security have said, they're both very concerned about any of these allegations or concerns or issues, and they will be dealing with them. We'll look forward to whatever response they may have.

**Mr Mazzilli:** On a point of order, Mr Chair: Certainly we've heard of the summit. We've also heard that an inquiry is going to be called. I think it would be prudent not only for the Toronto police but also the government of Ontario to wait for the recommendations of that inquiry.

**The Acting Chair (Mr Steve Peters):** That's not a point of order, but thank you for your comments.

Mr Curling, please continue.

**Mr Curling:** Let me just elaborate on that, because I think Mr Mazzilli has missed my point completely. The fact is that I applaud Chief Fantino for making a move to investigate his forces by appointing Judge Charles Dubin. However, I'm saying too that the province awaits the strategy. I see that there are funds put aside in the Premier's budget in order to advise the Premier on issues facing cabinet, and I know this issue itself started some time ago and I have not heard anything from the government that I know they're preparing. I would say that they should start moving on this early or make some statements in the fall. Yes, the Honourable Lincoln Alexander has indicated a summit would be appropriate, but I think that some statement very soon on this would be helpful for the community at large.

**Mr Dunlop:** We certainly appreciate your comments, and I think you've made that very clear in the House, as have Minister Runciman and the Premier. Right now, I think everything is under advisement at the Premier's office. We'll listen to the Premier's response to this strategy. Again, we applaud Chief Fantino for the direction he's taking.

**Mr Curling:** My colleague Mr Peters spoke about an updated directory. I was completely impressed with the presentation here and how efficient it is. However, like Mr Peters, I am going to express some disappointment that even today, although we have this very sophisticated tool here—and I know they can do it in a hurry—this directory he presented is not up to date. I am going to express my disappointment that we don't really have an up-to-date directory of the Premier's office and the cabinet office. I hope we'll have that by tomorrow. I see

that with the electronic and technical equipment you have, at the touch of a button everything will be in place. Could I ask if we could have that by tomorrow?

**Mr Dunlop:** I can look into that. I can't guarantee anything. It's a very busy office.

**Mr Curling:** I know how busy they are, but this is estimates, where we should have the relevant information. Is it possible to have an update by tomorrow?

**Mr Dunlop:** I'd ask Mr Dean to help me respond to that. I'm not 100% sure.

**Mr Dean:** Let me put it this way: we'll endeavour to get as much information for you as we can by the end of the day tomorrow.

**Mr Dunlop:** We've tried to be as open as we possibly can on all these issues and to answer them to the best of our ability.

**The Acting Chair:** I think he was just looking for an up-to-date version of what—

**Mr Dunlop:** I have no idea what's out there right now. We will endeavour—

**The Acting Chair:** I'm sure you will.

**Mr Bisson:** Mr Parliamentary Assistant, can I get you to turn to page 7 of the estimates book? I'm sure this is just an accounting issue, and I just need you to explain it.

**Mr Dunlop:** Sorry, I had to get mine in bigger print.

**Mr Bisson:** Some of us have that affliction.

If you take a look at the right-hand column, the year 2001 actual, the Premier's salary was \$61,860 in addition to the basic salary he gets as an MPP. As you know, we all got a 3% increase based on the conflict of interest commissioner's recommendation that was adopted in legislation. I take it that 3% of \$61,860 brings it to \$63,715.

**Mr Dunlop:** I apologize for a moment here.

**Mr Bisson:** Page 7, the actuals of the Premier.

**Mr Dean:** I think the answer might be that the increase for the—

**Mr Bisson:** If you notice, they account for it all in 2001, which I thought was kind of odd. If you work it through, the Premier rightfully was at \$61,860, and he goes up by 3% in 2001-02 to \$63,715. So the vote for the increase would have been in the 2001-02 estimates, right? But if you look at the number in the 2001-02 estimates, there's an increase of \$3,766, which covers two years. I'm just wondering why they've done it that way. It should have been about an \$1,800-per-year increase on the estimates. I'm sure it's just an accounting thing. There's probably just something in the wrong column. In the end, he got the same amount of money, but I'm just wondering why you account for it that way.

**Mr Dean:** The change from 2001-02 to 2002-03 was actually an increase of \$4,445. That, as we understand it, represents a legislated increase of 6% in the Premier's, ministers' and PAs' salaries.

**Mr Bisson:** Yes, if you look at the bottom number. All I'm getting at is that it would stand to reason that in the 2001-02 estimates there would have been a request for an additional 3% for both the Premier's and the PAs' salaries, and that total should have equalled 3% in the



year 2001-02. Agreed? If you add up that number, that works out to 6% from 2000-01.

I'm just wondering why they account for it in only one budget year. Was it because they forgot to put the vote in for 2001, because the estimates were drawn up prior to the legislation taking effect? I'm just looking for an answer. He got the right amount of money. I'm just wondering why you account for it that way. Do you follow my drift? I can't remember the year we actually passed the act. When was the act passed for the 3% and 3%?

**Mr Dunlop:** I believe we just received our second increase.

**Mr Bisson:** That's right. We just got the second 3% increase. We got 3%, and the next year we got 3%. I'm just wondering why—

**Mr Dunlop:** So 2000 is when we would have received it.

**Mr Bisson:** Yes. I'm just wondering why it's all accounted for in last year's estimates. Is the answer because the increase was given after the estimates were drawn? Is that what happened?

**Mr Dean:** It may be, but I think we should confirm that for you.

**Mr Bisson:** Yes, just to check it out. No extra money was paid; I'm just wondering why you did it that way.

**Mr Dean:** Good question.

**Mr Bisson:** The other thing I want to get back to is the Premier's travel. I accept that the Premier of Ontario has to travel. I accept he's got to travel a lot, and I am not chintzy and saying the Premier should be travelling third class or limiting his travel. But I'm just a little curious, when I look at transportation for the Premier's office in the estimates—if I could get myself to the right page, I would find it very readily. I thought it was on the first page; I guess it's not. I believe the number was \$111,000 or \$112,000.

**Mr Dunlop:** It's \$112,000, on page 4.

**Mr Bisson:** Is that on page 4? Transportation, there we go. It says, "Transportation and communications, \$112,400" for the Office of the Premier. Is that all staff and the Premier? It can't be. That doesn't make any sense.

**Mr Dunlop:** That is primarily the staff.

**Mr Bisson:** OK.

**Mr Dunlop:** We mentioned earlier, maybe it was when Mr Prue was here, that if the Premier is travelling on behalf of a ministry, in a lot of cases that ministry or the Ministry of Intergovernmental Affairs would pick up that tab. As I said earlier today, when we get to the estimates for the Ministry of Intergovernmental Affairs, we can talk a lot more about the Premier's travel etc. But certainly this is mainly staff.

**Mr Bisson:** I'm not berating the fact the Premier's got to travel, and it's probably a hell of a lot of money. But the point is, if we're accounting for it in this way in the Premier's estimates and we're saying his staff and he and some others at various ministries have travelled for \$112,000, it seems to me it's not a very transparent

process. I don't believe the Premier has anything to hide. He's an honourable man, and he travels on behalf of the province. I accept that. All I'm asking is, in the estimates of the Premier, why is it that we don't include all his travel, just so it's clear. I believe taxpayers want to know and have a right to know, and we should be upfront and clear on that.

1740

If we're reporting \$112,000 here, but we agree and we understand it's reported off in other ministries, is there any kind of estimate as to how much money the Office of the Premier charged for transport for him and his staff for last year? Is there any kind of accounting done?

**Mr Dunlop:** Certainly this was for the Premier's office and the staff, and I think it's consistent with what—

*Interjections.*

**Mr Bisson:** I take it they're watching Stockwell in the House.

**Mr Dunlop:** It's very consistent with what's happened with the previous Premiers from all political parties.

**Mr Bisson:** I don't argue that.

**Mr Dunlop:** So what you're actually saying here is, your suggestion is that whatever costs the Premier actually has in travelling, whether it's associated with the ministry or not, it should be put in a classification.

**Mr Bisson:** Just so we have clarity because, as you know, as members, all of our travel is posted. Anybody at the end of the year can pick up the book, look at me in the book and say, "You travelled and this is how much you spent, and you rate whatever when it comes to total expenditure." Fair enough. I have to defend that. In fact, I think I was, after leaders, the member who spent the most in travel, understandably. I live far from the riding and there's a lot of travel involved. I'm prepared to defend that.

The problem I have is the way we're accounting for it in these estimates of the Premier. It leaves a little bit to be desired. I don't argue that the Premier shouldn't travel, but it just seems to me it would be a lot clearer if we were to change the practice so that all of his travel is reported through the Premier's office and it's not off-booked to some other ministry. I'm just asking, is there any kind of discussion happening within the Premier's office to allow that change to happen?

**Mr Dunlop:** I'm certainly not aware of any change like that occurring, except that—

**Mr Bisson:** I see people laughing, so obviously they don't want to change it for some reason—or you're laughing at Stockwell on TV. I don't know which.

*Interjection.*

**Mr Bisson:** It's Stockwell? OK.

**Mr Dunlop:** With the policies that are in place today, we, as parliamentary assistants, if we're doing travel on behalf of our particular ministry, that will be picked up by the ministry as well, the same as the minister would have—you mentioned your travelling expenses, but if



you were a minister you would have your constituency expenses completely separate from that.

*Laughter.*

**Mr Dunlop:** They must be enjoying this more than—

The Premier of course has his constituency expenses as well. He has the Office of the Premier. I think it's very complex, and my only suggestion is that it's probably fairly fair the way it is right now.

**Mr Bisson:** But here's the problem. There's a bit of—I don't want to say a double standard, because that would be a little bit too strong. If I'm the Minister of Energy, then all of my expenses are reported under the Ministry of Energy and my travel and whatever other expenses I have as an MPP are covered under the Legislative Assembly Act and basically posted. As we know, every year there are expenses posted for the public to see.

The difficulty I have is that both the parliamentary assistants and the Premier have a bit of a different standard by which their travel is paid. So all I'm asking is that we would account for the Premier's travel in his estimates the same way that we would with any other ministry, and we don't off-book his travel to another ministry. I'm not going to argue that the Premier shouldn't travel. I think the Premier should be travelling a lot. He should be meeting with all kinds of people across the province, and I don't care if he comes back with \$500,000, but I want to know that it's reported so that there is a sense that we can compare apples to apples, basically how people are spending their money when it comes to travel.

I find this just a little bit, you know—\$112,000; what does it tell me? Well, it's whatever you've sloughed off into the Premier's office, and I'm sure Rae's office, and I'm sure Peterson before did the same thing. I'm just saying, from the point of perspective of the public and its being transparent, I think you have to agree it's not very transparent.

**Mr Dunlop:** I can appreciate your comments. However, this does clearly cover the cost of certainly all the staff in the Premier's office, the 44 people we talked about. That's very clear that it covers that.

**Mr Bisson:** Just to walk me through this: staff travel would be paid through this \$112,000, not through the other ministries.

**Mr Dunlop:** Yes.

**Mr Bisson:** And the parliamentary assistants' travel would be a combination of this and off-book to the ministries.

**Mr Dunlop:** Neither Mr Gill nor myself have done any work on behalf of other ministries, so any travelling expenses I would have with the Premier's office would be in here as well. I haven't had any expenses yet.

**Mr Bisson:** I just have a hard time trying to believe that a staff of 44 people would only charge up \$112,000 in travel. I know what it costs to travel back and forth to my constituency every year. The amount of money I would spend would probably be close to around \$40,000 or \$50,000 just for myself.

**Mr Dunlop:** I'd have to point out—

*Laughter.*

**The Vice-Chair:** Either we shut that thing off or—

**Mr Bisson:** Why don't you guys go to the House and watch it?

**The Vice-Chair:** Yes. Go to the House, or if you want to listen, don't disturb the estimates here, please.

**Mr Bisson:** I have a hard time accepting that \$112,000 is—what did you say, 44 or 54 staff people? I forget what you said.

**Mr Dunlop:** It's 44.

**Mr Bisson:** Forty-four staff people only charged up \$112,000, including the two PAs. To me, it doesn't make any sense.

**Mr Dunlop:** Most of the staff are at Queen's Park all the time.

**Mr Bisson:** I was in government and I know how it works. The Premier travels. He has staff people, and rightfully so, who must travel with him. I don't begrudge the fact that they're there; in fact, they need to be there. That's part of what he does. I don't know, \$112,000 just seems to me very low for travel.

This is a question to the Chair, and maybe Mr Peters raised this question before. Has there been a tabling of the expenses through this committee of all the staff who work in the Premier's office?

**Mr Dunlop:** That information hasn't been—

**Mr Bisson:** Hasn't been tabled?

**Mr Dunlop:** No.

**Mr Bisson:** I'm making a request. Again, this is not a witch hunt, but I have a hard time believing that it's only \$112,000. Am I in order, clerk, to ask that the Premier's office table the expenses of the 44 staff members? I know we've seen that before at the estimates of the Premier.

**The Vice-Chair:** It relates to the estimates of expenditures in here. If that's a request that you need, it can be presented. I don't see anything wrong with that because it's fully related to that.

**Mr Peters:** You'll have to submit an FOI, probably.

**Mr Bisson:** I'm just asking through you, Chair, if you can maybe confer with the clerk. I know that at previous estimates we've gone through, this kind of information was provided. I'm just not clear, because it was a while ago, if it was FOIed information or if it was information that was tabled through the committee. Am I within my right?

**Mr Peters:** Are you thinking of public accounts maybe?

**Mr Bisson:** No, no. It was at this committee.

**The Vice-Chair:** If I understand you correctly, the expenditures of staff within the Premier's office to be tabled here is a part of the estimates. What I will do then is, tomorrow, when we come back, I can tell you whether that is correct. Personally, I don't see anything wrong with that, but I will confirm that with you tomorrow.

**Mr Bisson:** Could you? Because the way we account for travel, I don't see it as being spot on. I don't argue that people of the Premier's office did anything wrong here; that's not my argument. But you're not going to make me believe that you only spent \$112,000 on travel. It doesn't add up.

**Mr Mazzilli:** Are we asking unanimous consent for all of the leaders of the parties to disclose their travel expenses?

**The Vice-Chair:** That's not what we're asking.

**Mr Dunlop:** Mr Chair, if I may, could I ask Mr Dean to help me respond to this?

**The Vice-Chair:** We have a bell going here.

**Mr Mazzilli:** I just want to understand the question.

**The Vice-Chair:** One of the things, too, let's face it, if you were all listening, you'd have heard it. We weren't listening to this. Mr Dean, could you—

**Mr Dean:** Just very quickly, it probably helps, again, if you look at the list of staff. You'll notice that the tour and public events group in the Premier's office is actually quite small.

**Mr Bisson:** What page is that? Oh, on the table.

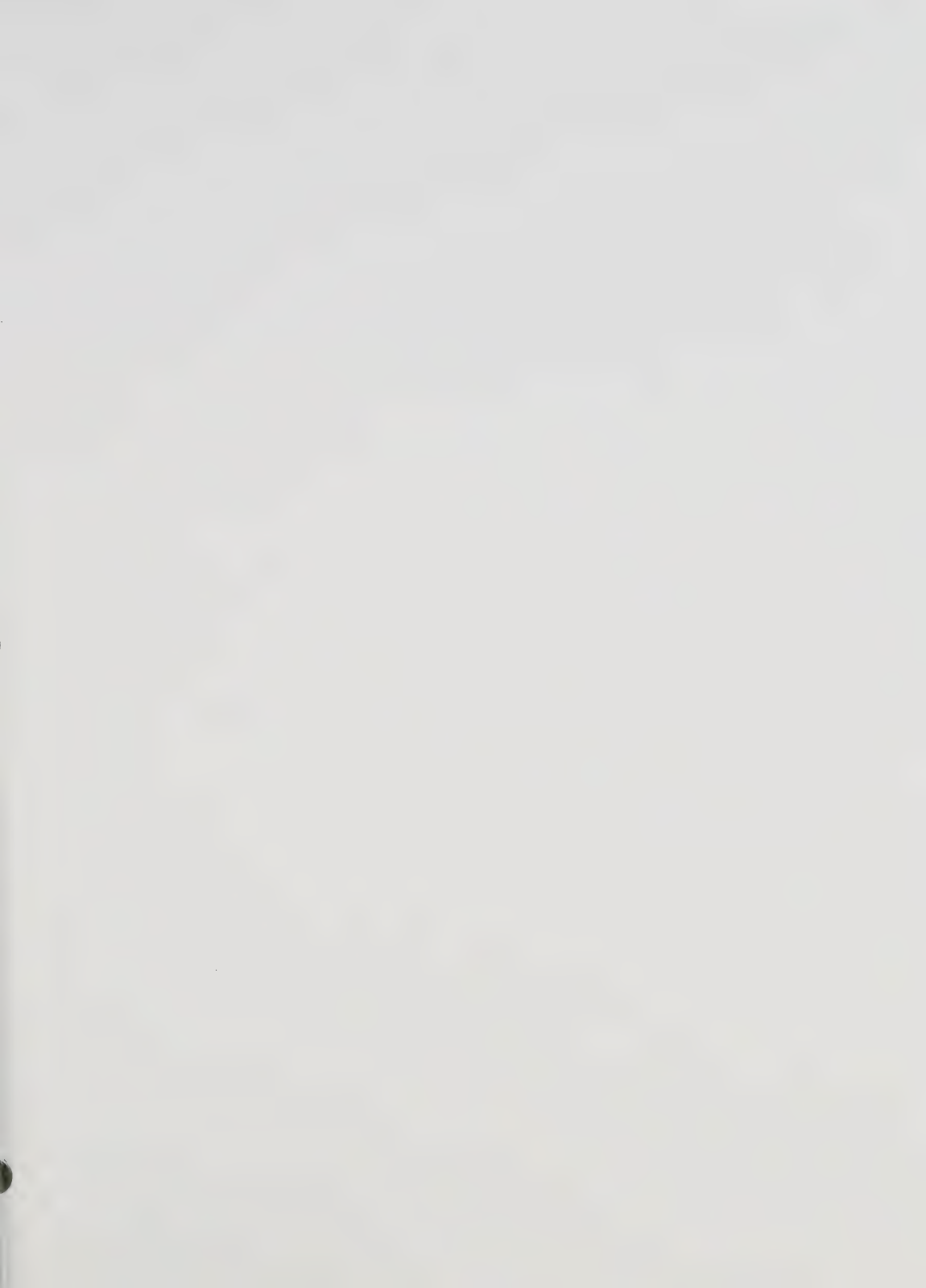
**Mr Dean:** You'll see that there are in fact only two people whose work it is to advance the Premier's tour and to actually be on site with him, and possibly a third. So, for the most part, you only have two staff on the Premier's staff who are actually travelling on a fairly constant basis to advance and to support the Premier. That probably helps to put it in perspective.

**The Vice-Chair:** I have to adjourn now anyhow.

**Mr Bisson:** Can you get the answer for me?

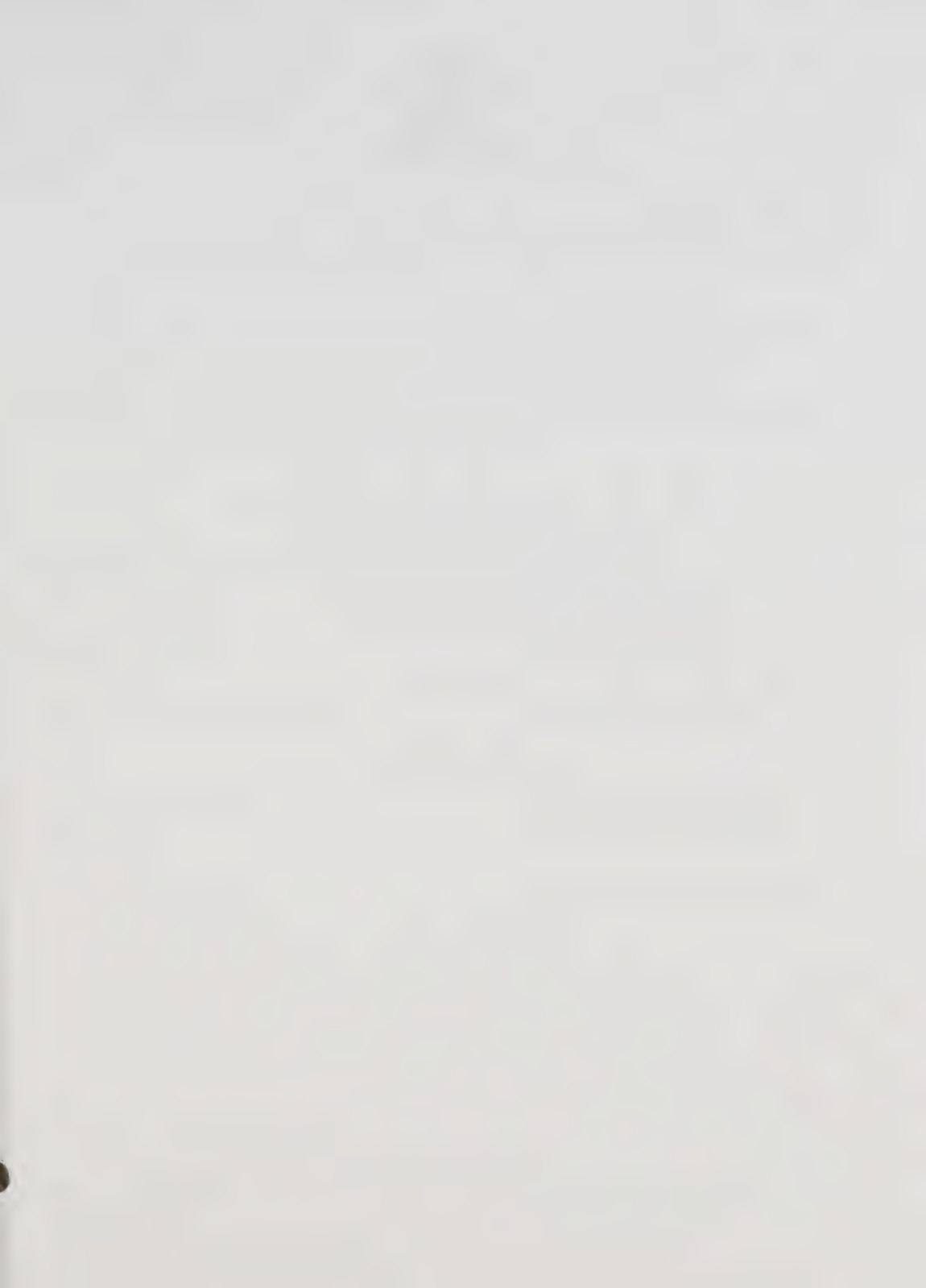
**The Vice-Chair:** We stand adjourned, and tomorrow we'll give you a full explanation of that. We stand adjourned until 3:30 tomorrow.

*The committee adjourned at 1749.*









# CONTENTS

Tuesday 29 October 2002

<b>Office of the Premier .....</b>	<b>E-263</b>
Mr Garfield Dunlop, parliamentary assistant to the Premier	
Mr Art Daniels, OPS Restructuring Secretariat, assistant deputy minister, quality service	
Mr Tony Dean, Deputy Minister and associate secretary of cabinet, policy	

## STANDING COMMITTEE ON ESTIMATES

### **Chair / Président**

Mr Gerard Kennedy (Parkdale-High Park L)

### **Vice-Chair / Vice-Président**

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gilles Bisson (Timmins-James Bay / Timmins-Baie James ND)

Mr Ted Chudleigh (Halton PC)

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gerard Kennedy (Parkdale-High Park L)

Mr Frank Mazzilli (London-Fanshawe PC)

Mr Norm Miller (Parry Sound-Muskoka PC)

Mr John O'Toole (Durham PC)

Mr Steve Peters (Elgin-Middlesex-London L)

### **Clerk / Greffier**

Mr Trevor Day

### **Staff / Personnel**

Ms Anne Marzalik,

Research and Information Services



CA20N  
XC26  
-E77



E-13

E-13

ISSN 1181-6465

## Legislative Assembly of Ontario

Third Session, 37<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Troisième session, 37<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 30 October 2002

# Journal des débats (Hansard)

Mercredi 30 octobre 2002

Standing committee on  
estimates

Office of the Premier

Comité permanent des  
budgets des dépenses

Cabinet du premier ministre



Chair: Gerard Kennedy  
Clerk: Trevor Day

Président : Gerard Kennedy  
Greffier : Trevor Day

### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Copies of Hansard**

Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

### **Exemplaires du Journal**

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.



## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATES

Wednesday 30 October 2002

COMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Mercredi 30 octobre 2002

*The committee met at 1536 in room 151.*

## OFFICE OF THE PREMIER

**Mr Gilles Bisson (Timmins-James Bay):** On a point of order, Chair: I would like to move a motion that we—there is an hour and 58 minutes left on the estimates for the Premier. We would be agreeable that we do one hour total, 20 minutes per caucus. We would deem that the Office of the Premier estimates are terminated today and that we commence the estimates on intergovernmental affairs on Tuesday.

**The Chair (Mr Gerard Kennedy):** OK. If there is consent on that, then I guess we would deem that the time that has been allocated would have been used up by the various committees. Is that a consensus, then? Can I have that as a motion?

**Mr Bisson:** The motion is that the Office of the Premier estimates be completed after a one-hour—

**The Chair:** Subsequent one hour, 20 minutes per caucus.

**Mr Bisson:** Yes, and if people don't take it, so be it; and that we start the office of the—

**Mr Ted Chudleigh (Halton):** That time dies with the caucus.

**Mr Bisson:** I didn't hear you.

**Mr Chudleigh:** If we don't take our 20 minutes, it dies with our caucus.

**The Chair:** There are caucus members dying in here today, Mr Chudleigh?

**Mr Chudleigh:** www.dead.

**The Chair:** OK. I think we have the gist of the motion. Just to finish off, Mr Bisson, you were saying then that it ordinarily would have been a half-hour for the subsequent Ministry of Intergovernmental Affairs.

**Mr Bisson:** We'd like to start it on Tuesday.

**The Chair:** We'd like to start on Tuesday. This has been conducting discussion with the government representatives and so forth?

**Mr Bisson:** Yes.

**The Chair:** OK, then I'll ask for all those in favour of that motion. Any opposed? Carried.

All right, we'll commence with 20 minutes, I guess, with the official opposition under this arrangement. Mr Curling.

**Mr Alvin Curling (Scarborough-Rouge River):** Thank you so much, Mr Chairman. I don't have many

questions but just some explanation. Mr Dunlop, let me sing your praise a little bit. You have conducted yourself very well during the absence of the Premier, which as I tell you, I had hoped that the Premier would be here because this question that I am going to ask you—maybe you can give me some insight into this one.

I understand there was a convention of the party recently. There was a statement saying that embarrassment was done to the Premier when he decided to praise the former Premier, Mike Harris, and he wasn't there. I understand, too, that comments were made that staff of the Cabinet Office will roll; some firing may happen. I didn't know that the party was associated with the Cabinet Office. Can you clarify that? Is it a fact that that could be done if there's an embarrassment by the Premier? In here it says that it must be informed for issues. Could that be done, that people from the Cabinet Office could be fired in a situation like that?

**Mr Garfield Dunlop (Simcoe North):** I'm not aware of—is that the end of the question?

**Mr Curling:** Yes. That's the end of the question.

**Mr Dunlop:** Thank you very much for your kind words, Mr Curling. I appreciate them very much. Any embarrassment done to the Premier at our recent conference—I think it was held at the Metro Convention Centre. I don't know really what you're referring to. I have no idea if anyone, in fact, has lost their job as result of any embarrassment, and I don't expect that they would. At this time, something that has happened at a conference wouldn't normally project over to the Cabinet Office itself.

**Mr Curling:** Well, I'm very happy to hear that, because I know that members of that wonderful executive body have a way of expressing the fact that they are displeased with the staff; they'll fire them. I hope that the Premier, seeing how the staff of the Premier's office have conducted themselves here in the last couple of hours that we have in estimates—I wouldn't like to lose any of them because we want to use quite a few of them when we are the government. I hope that the Premier doesn't go about firing them under these conditions and that you can assure me that no firing will take place under these kind of conditions.

**Mr Dunlop:** Certainly it has been a pleasure for me to work through the estimates committee with the members of Cabinet Office as well. They are very knowledgeable on all issues that have come forth. We've done our very



best to provide as much information, to be as humanly open as possible, to all members of the estimates committee. We certainly appreciate your kind words about the employees of the Cabinet Office as well.

**Mr Curling:** Mr Dunlop, the assistant deputy minister made an excellent PowerPoint presentation with the IT equipment. We were all very impressed with that. I don't know about other members; other members seem to be unaware of this. Is this one of the guarded secrets of the government, that they have these facilities but they're not being used? Where are these things being used now?

**Mr Dunlop:** Thank you very much for that question, Mr Curling; I appreciate it. Certainly, Mr Art Daniels, the assistant deputy minister, when he briefed me prior to these estimates meetings—I too was very, very impressed. I didn't realize and I didn't understand the valuable contribution that our public service makes to the citizens of Ontario.

In fact, when we saw that we won the top award in all of the Commonwealth nations—I think it's now three years in a row that we've come up with outstanding awards in each of those categories—I know that it has impressed me very much. I think what we've looked at more than anything else is the efficiency that we found in the Ontario public service.

If you have any further questions that you would like to have answered or supplied to you today, Mr Art Daniels is here and I know he would be pleased to answer any questions to any of the members of the estimates committee.

**Mr Curling:** I would very much appreciate if Mr Daniels would come forward.

**Mr Dunlop:** He can sit right here beside me. We don't have his equipment here today, but—

**Mr Curling:** Let him sit beside the other deputy there.

**Mr Frank Mazzilli (London-Fanshawe):** On a point of order, Mr Chair: I'd just ask that all the questions go to the parliamentary assistant, and he—

**The Chair:** No, no. In fact, Mr Mazzilli, the questions come to me as Chair. That's not a point of order, unless you'd like to finish it.

**Mr Mazzilli:** It is the Premier's estimates, and the parliamentary assistant—

**The Chair:** Mr Mazzilli, I will Chair this meeting and all questions and responses will be directed through the Chair. I thank you for bringing it to my attention but it is not a point of order. Mr Curling, please?

**Mr Curling:** I hope his time is extracted from my time. Don't you interrupt again.

Mr Daniels, as we said, it was quite an impressive presentation. Not only that, if these resources are available, I want to ask: are these resources that you have, are they available to members now, or where are they available if they're not available to members' constituency offices?

**Mr Art Daniels:** Everything that I spoke about yesterday is available to everybody. It's our public service. It represents what we do. Those services are available to everybody, absolutely. Just to give you an idea, I make

about 150 presentations a year all over Ontario, and I meet with delegations from other countries to let people know about the changes in the Ontario public service. Yesterday, before I arrived here, I was out at the Ministry of Transportation with a couple hundred of their employees to encourage them to keep up the good work and to keep doing quality service.

A few days earlier I was in London, celebrating public service excellence in that town, and St Catharines. It's my job to make sure—and everything I talked about yesterday is totally for everybody.

**Mr Curling:** There's no doubt that you have been very, very busy, Mr Daniels, but we have 103 members in constituency offices across the province, which I know, regardless of party stripe, questions are asked in all of the things that we do as a government, so to speak. But no member seems to be aware of this one. Maybe you want to correct that part of it.

The other part is, will it be available for members if they want a kiosk to be established in a constituency office? Can one request that and have it done?

**Mr Dunlop:** Thank you for the question. I'll also ask Mr Daniels to respond to that. I know that we are prepared today to table Mr Daniels's presentation that he made to the committee yesterday. I was aware of much of the background; not all the detail of it of course, but certainly things like the government information centres that we have across the province.

I have one, as I said yesterday, in the city of Barrie just adjacent to my riding. I know many members use those government information centres and send their constituency staff to them as well. I think it's imperative that all elected members of this assembly take advantage of these services that are provided by the government. I certainly think that your constituency staff would find a lot of links between not only services provided by the Ontario government but services provided by the federal government and, in most cases, the municipality in which the government services centres are actually located. I do want you to know that I was fully aware but with some additional information you provided for me yesterday.

Mr Daniels, if you could add to that.

**Mr Daniels:** Yes, I would be very pleased to share it, and in fact what Mr Dunlop said about working with our government information centres and the GICs and the constituency offices would be a wonderful thing. They would be very open to sharing that information back and forth. Again, as Mr Dunlop said, we are opening more and more of these, in co-operation with the three levels of government. So it truly is a one-stop shop.

The city of Sarnia, for instance, has all three governments co-located together so that the information is federal, provincial and municipal. So this is a good model of sharing between the three levels of government, and it would be really good source of information for your constituency staff, absolutely. If any of you wanted me to set up a session to talk to constituency staff about products and services, we'd be really happy to do that as well.

**Mr Curling:** I hear all of that, but I'm not hearing the fact that a kiosk could be established inside a constituency office for those who want it. I get many calls, requests, from my constituency office because they may be looking through the books and what have you. But could a kiosk be established inside a constituency office upon request?

**Mr Daniels:** There are no plans right now. They tend to be located in shopping centres, where people shop. They'll be at bus stops and air terminals, places where people congregate in large numbers. Let me just add, though, that for a constituency office, there are a lot of these products that are available on-line. If you have Internet access, a lot of these products like the Lost Wallet, the ones I was showing, the bereavement website, the Moving website, you could just—and I think we heard an example of it yesterday from Mr O'Toole—take your own terminal, your own PC, or have another terminal that is public access and on it would be all the on-line services. It's quite rich, the on-line service in Ontario.

By 2003 we hope to have the whole public service totally electronic. So it would be a really rich resource. Rather than a whole, big kiosk, just the ability for somebody who didn't have access to the Internet at home—or to work with your staff—can start a business; or if they've lost their driver's licence or if somebody died. It would be a very rich resource just to understand what's on the Internet, and that's where we could help you.

The gateway we've built is a simple gateway. On the very front page you could push Lost Wallet, Moving, death in the family. It's all very, very easy for people and I think there'd be a richness there in every constituency office, without a kiosk, just using the Internet.

**Mr Curling:** I hear all that you are saying and maybe I'm asking the wrong person the question. Let me ask Mr Dunlop, then, if he could take it upon himself to tell the Premier that this excellent service, notwithstanding the fact that we still have computers in the office, if a kiosk could be established in all the constituency offices for those who would require them.

I understand the fact that we have computers. Sometimes we have to wait to go through Queen's Park. They're always down and what have you. Could you take it upon yourself, sir, to see that one of those kiosks could be established in the office, for those members who want it?

1550

In the last estimates meeting we had here some members said they didn't want that; they wanted the personal touch. I would respect that, but I would see that it would be very, very helpful in my constituency. Could you do that, Mr Dunlop?

**Mr Dunlop:** I can certainly bring up any suggestion; there's no question about that. But I know that before the government would look at it we'd have to make a very, very strong business case. We have to—

**Mr Curling:** The business case is already made. The business case is that there's a need; that's why they

established this, and it can be put into kiosks in shopping malls. I am saying to you—

**Mr Dunlop:** However, if I may, the fact of the matter is shopping malls or an airport or a bus terminal may see 500 times as many more people in a day as what your constituency office would see. So a lot of the kiosks are located as a result of a good business plan being put in place, because these kiosks are in fact very, very expensive to install. I will definitely take back the suggestion. I just wouldn't make the commitment that it would happen, because of the huge expense involved with it.

**Mr Curling:** Mr Dunlop, I can't believe what I'm hearing from you. This wonderful presentation, this excellent stuff, and you're going to hide it and tell me, "No, no, no. If they want it, they should go down to Scarborough Town Centre where it's located." Here's this wonderful thing we spent all this money on and said, "Yes, we want to serve the people with it," and you say "Well, make a business case for it."

**Mr Dunlop:** And of course that makes so much sense coming from a government that is so fiscally accountable. Obviously you heard yesterday, as I indicated, that there were 61 of these kiosks in existence today and we are planning on another 300 by the end of the year 2003. All of these kiosks are being installed as a result of a good business plan. All I'm simply saying is that for a kiosk to be located in 103 constituency offices, a business case would have to be put in place, based on the number of people that visit the constituency office—

**Mr Curling:** Thousands of mine are asking about the hydro stuff and all that, but the simple fact is that—how much time do I have, Mr Chairman?

**The Chair:** You're looking at about five minutes, Mr Curling.

**Mr Curling:** Mr Dunlop, my business case has already been made. My business case was made when I was elected. My business case was made when they made a constituency office out of it. My business case was made with the fact that we have to serve the constituency. My business case was already made.

If I have to come back to the government again to remake that business case—I'm saying, why am I fighting this bureaucracy of the Premier's office and the place that has it to make another business case? I'm begging to serve the people, and you're saying to me, "Well, make another business case for me before I really do it." I am shocked, and I don't think you really mean that.

What I'll do is I'll put one part of my business case. I'm going to invite you to my constituency office, any day, if that's the case you want to make. I can walk you around my constituency office, but I'll show you off as the person who is resisting giving us the services that we need, and I don't want to do that. All you've got to do is send the kiosk over, because I think it would be a wonderful service to the people. It's their money anyhow. You tell me that 300 more are coming; 103 of those



should be put aside for the constituency offices to serve the people.

**Mr Dunlop:** Very simply, Mr Curling, if I may respond to you, it's taken a strong business plan and five years of good planning and business sense by Mr Daniels's group to get to where we are today. To establish 103 kiosks on an overnight plan, without any kind of a business plan, in our case, we would think that that would be a poor use of Ontario taxpayers' resources. In many cases the government business offices may be right down the street.

For example, my colleague in Barry, Mr Tascona: the government information services office is less than a block away from his constituency office. I'm not so sure that someone like Mr Tascona would really require a kiosk installed in his office.

**Mr Curling:** I really can't believe that—

**The Chair:** You have three minutes.

**Mr Curling:** In my two minutes I'm going to rant a bit. I'm going to say to you that I feel I am making a case. I feel I have an MBA student in front of me who is going to prove to me that I have to set out a plan before I get it. My hands are almost on this innovation, this great work that Art Daniels has done, and you're saying to me, "It's in a glass case. You won't touch it." You're saying to me that we spend lots of money on lots of study, but you say, "Give me another case study, give me another staff before I can get to it."

The people say, "I need information," and you say, "Go down the road," and they say, "But I'm here." You're saying we can make that business case so we can get that. I'm saying, reconsider that, because the people of Ontario, many of them—things are more complex now, as you said. There are more offices; they change their names.

Even your directory was not up to date; this was more up to date. Can you imagine? We went to the directory to find some of the stuff and you said, "You should be doing this great innovation in governance here, because we are up to date." They say, "No, it's down the road at the Scarborough Town Centre," which may be about four miles away from me.

I am saying to you, sir, make the case for us. I could then say, "We got something out of the estimates. They're spending all that money. The Premier wasn't here for the excellent presentation, but we got something out of the estimates."

**Mr Dunlop:** I just want to reiterate that at some point the Legislative Assembly, through the three different caucuses, may in fact look at a business plan for a kiosk in each constituency office. I think that's excellent information that you've provided and we'll look at that at some time in the future.

**The Chair:** Thank you, Mr Curling, and thank you, Minister. I now turn to the third party and Mr Bisson.

**Mr Bisson:** First of all it's not minister, it's Mr Parliamentary Assistant, but I understood what you were getting at.

**The Chair:** In keeping with some of the positive accolades, we're happy to give Mr Dunlop a promotion in the context of his fine work here today.

**Mr Bisson:** I heard the suggestion—just to get off a little bit—by Mr Curling, and I think the suggestion was made by Mr O'Toole, to put those kiosks in constituency offices. I can understand the appeal of that to a certain extent, but it would certainly create and generate a heck of a lot more work for a constituency office. If we do that, I would argue, we need to go to the Board of Internal Economy and get the funds necessary to make sure we have adequate space and the staffing to do it.

I don't disagree, it may be a good idea, but you all know how busy your staff is. The staff of the constituency offices are probably among the busiest workers who work for the government. To load them down with yet another thing without a little bit of relief, I would argue, is a little bit unfair to them. But I understand what you're trying to get at. It's not a bad idea. I just wanted to comment on that.

Yesterday when we had gone through page 7, I believe it was—I had just raised the issue—it seemed that the accounting for the increase in salary for the Premier was all being accounted for in one year. I was wondering why we were doing that. The total amounts are the same. It doesn't change how much he gets and, as I said at the beginning of these estimates, I don't think the Premier is paid enough, but that's for another debate. Why did we account for it only in one budget year?

**Mr Dunlop:** I've got a statement for you. The annual 3% increase for all members was approved in August 2001.

**Mr Bisson:** Ah, so that explains it. So the estimates were drawn up before the actual—

**Mr Dunlop:** Absolutely. Therefore the 2002-03 estimates reflect the 2001-02 increase of 3% and the 2002-03 increase of 3%, for a total of 6%.

**Mr Bisson:** I understand now the logic of why it was done but does that mean to say—how did you manage to give him the increase last year? You had to take it from the existing budget, right? If you had not accounted for the 3% increase in the estimates of 2001, that means it was not put into the estimates of 2001. Therefore the Premier, rightfully so, got his 3% increase, I don't begrudge that, but you had to get it from somewhere. Where did you get it from?

**Mr Tony Dean:** It actually would have been paid from the allocation for that year and, as the blue book indicates, at the end of the year it actually came in below the estimates for that year.

1600

**Mr Bisson:** Therefore, when we look at this year, it takes into account—because he got 3% last year, that's put into the base for this year, and then the other 3% on top of that, so overall it works out to what it should be.

**Mr Dean:** Yes.

**Mr Bisson:** OK, that's an explanation. I accept that.

The other thing is, we had talked about travel. In fairness to the staff of the Office of the Premier, my



argument is not that people shouldn't travel with the Premier. I'm not even saying you guys spend too much. When I looked at the estimates, you were listing \$112,000, I believe, for total travel for the staff of the Premier and some of the Premier's travel, because as you explained yesterday, some of the Premier's travel is offset to other ministries. I'm just making the point—I know how much it costs me to travel, just as one individual member. I have a hard time believing that staff travel and some of the Premier's travel, as you said, only amounts to \$112,000. So my first question is, where do you get the rest of the money to do the traveling?

**Mr Dunlop:** We tried to make it as clear as possible that very few people in the Office of the Premier have traveling expenses. We've come up with as much information as we could overnight for you. I want to let you know that seven months into the year, effective yesterday, the Premier's office has only spent 30% of its allocation, of that \$112,000, which is equal to \$40,500 for this year. In a lot of cases there's only one person traveling ahead, on the advance. There's not an army of people or anything like that; there are one or two people maximum.

**Mr Bisson:** I'm not raising this to be argumentative, but having been in government, I understand how it works. You've got an advance person who goes out for the Premier. Typically, the Premier would travel a fair amount in one year, I would imagine, so that person has to get around. Either they've got to rent a car and pay mileage or they've got to take airplanes. It seems to me just the travel for that one person would be more than the \$40,000 you talk about now.

Then when the Premier does travel, he has to bring people with him, and rightfully so. You can't let the Premier go off on events on his own. God knows what trouble politicians would get into if we went alone without our staff sometimes, let alone Premiers of Ontario. So you have to be accounting for it in another way. Either you throw everybody on the government plane, and in the MNR budget, all of the travel for the Premier showed up on the MNR plane—is it still the Ministry of Transportation that has the government cars? It is still MTO, I would imagine, that runs the government cars. Then it would mean that all the rest of the travel he does outside of the aircraft would then be offset to the Ministry of Transportation. That's the only way I think it can be done.

**Mr Mazzilli:** Teleconferencing.

**Mr Bisson:** Oh, yeah, teleconferencing, right. Good try, Frank.

My point is this: I don't begrudge that the Premier has to travel. I accept that. I think the Premier should be traveling a lot and I accept that it's going to cost money. My point is that if we're off-booking some of the expense of his travels by way of MTO and MNR, because those are government assets that we're using for him to travel, why isn't there some sort of an accounting process so we can know that, so we can see that when we

look at the estimates? We'll let the parliamentary assistant get the briefing.

**Mr Dunlop:** I'm sorry for the delay there. I just want to make clear that quite often the Premier is traveling with his security, and that vehicle is supplied by the Ontario Province Police.

**Mr Bisson:** So the Sol Gen's office picks that up.

**Mr Dunlop:** Yes.

**Mr Bisson:** That's my point.

**Mr Dunlop:** That's historically how Premiers have done a lot of their traveling in the province, and he may have a staff person with him at that time.

I'm going back to my original comments that there's not a lot of traveling expense in the Office of the Premier.

**Mr Bisson:** Well, there is travelling expense. The argument you're making, and I understand it, is that much of the cost is picked up by Sol Gen when he gets into the car that's supplied to him by the OPP, much is offset by MNR when he takes the government plane and much is offset by MTO when he takes the government car to go wherever. All I'm saying is that it would seem to me that we want to make that as transparent as possible. We, as members—and all the other 102 members, plus me—every year a report comes out and says, "Bisson did \$55,000 to travel to his riding and he spent X amount of dollars of travel in his constituency," and I accept that. That's where I'm going here. I accept, as a public official, that people have the right to know how I'm expending the money I'm given to do my job. It seems to me that we should be doing the same thing when it comes to making clear that we understand how much money is being spent for travel by the office of the Premier and overall through his travel himself. This will be the question, and you can give me a yes or a no: are there any plans on the part of the Office of the Premier to set up an accounting system that's more transparent when it comes to the off-book travel that he does, off to OPP and others? Are there any plans to do that?

**Mr Dunlop:** It's my understanding that there are no plans and nothing is being reviewed at this time.

**Mr Bisson:** OK. You answered the question that I wanted, so I'll just move on to the next one.

The other thing I noticed—and we had asked about this at the very beginning of estimates on the first day of the Premier, and that is, was I correct in understanding that there are no contractual services within the office of the Premier, that all of the staff that have been working for Ernie since the time he's become the leader are actually payroll, they're not on contract?

**Mr Dunlop:** That's my understanding, yes.

**Mr Bisson:** That is. At this point, that includes all temporary—all forms of contract; I don't have to go through them all. Nobody is on contract and nobody has been on contract at the Office of the Premier since his election as the leader of the party?

**Mr Dunlop:** That's my understanding, yes.

**Mr Bisson:** OK. I just want to make sure we're clear. The other thing is—and this is going to be my last

question; I don't need the full 20 minutes—we had raised the issue of conflict of interest. There are a number of people that work in the Premier's office who had interests outside of here when they came to the Premier's office, and that's fair. If I'm the Premier of Ontario and I'm elected, I'll bring people around me and some of those people will have worked in different areas and different industries across the province. What kind of mechanisms do you have in the Premier's office to make sure that those people are removed from any of the decision-making or advice that they give to the Premier so that it doesn't appear that there's a conflict of interest? For example, somebody who may be working in the energy sector prior to coming to the Premier's office is not in the loop when it comes to making decisions or advising the Premier on crucial policy decisions around employers they may have worked for.

**Mr Dunlop:** If I may, I'm going to ask deputy minister Dean to answer that question.

**Mr Dean:** Yes, I think it's fair to say that most people coming to government, either on the civil service side or the political side, have some sort of professional past. There is always the potential for conflicts to arise, so there are actually procedures and requirements that would require those who may even be perceived to be in a conflict of interest to declare that conflict to different persons, depending whether that person is on the political side or the civil service side, and, having declared that conflict, to absent themselves from any meetings or decision-making in relation to institutions with whom they may be perceived to have been associated. That actually is a requirement and responsibility that is taken exceptionally seriously and is pursued with some vigour. Yes, there are potential issues. People are aware of those issues and they conduct themselves according to the rules and requirements that are in place.

**Mr Bisson:** So what you're saying is that there is a process that's established at the Premier's office. I don't want to get into the details, but if somebody feels that they may be in a conflict position with a former employer, there is a process to absent them from that decision-making process.

**Mr Dean:** That's correct.

**Mr Bisson:** I agree with Mr O'Toole that should have been in Mr MacAulay's office. It would have been a good idea.

My next question is have there been instances since Ernie has taken over when that actually in fact has happened, where people have had to declare conflict?

**Mr Dean:** Right now I can't recall any particular instances, but I do know that, from time to time, I have certainly observed political staff declaring that they could be in a potential conflict and absenting themselves very early in discussions and having no further part. Yes, so if you're asking do people follow through on those expectations and requirements, in my experience they do and they take it very seriously.

**Mr Bisson:** Let me ask you this question: are you satisfied that in fact people are taking that seriously and

that people are not putting themselves in a conflict position, in your position as a senior civil servant?

**1610**

**Mr Dean:** Yes, I am confident that people are aware of their responsibilities and that they exercise them. I cannot say, of course, that in every possible situation that actually occurs, but to my knowledge people take those responsibilities seriously and they're fairly scrupulous, both on the civil service and political side, and potential conflicts are declared and people conduct themselves appropriately. So I'm fairly confident that this is something that people understand broadly and act appropriately in a broad range of circumstances.

**Mr Bisson:** Last question on that venue, that list, that sort of tack: is there any mechanism for registering when there is a potential conflict, that it's actually noted in some way, so that you are able to cover yourself off should there be, for example, an allocation that somebody was in a conflict position and all of a sudden it becomes a public issue? Is there some sort of log or something that indicates that, in fact, this person has removed themselves from a potential conflict position, in order to cover them off should something happen?

**Mr Dean:** I can say that at the cabinet level those declarations of potential conflict are minuted and the persons declaring conflicts receive a copy of that minute. It would be prudent in the normal course, depending on the circumstances, for individuals on staff to perhaps put a memo on file or to keep a record of the fact that they had identified a potential conflict and declared it. Yes, so depending on the circumstances there are both formal and informal methods of recording those situations.

**Mr Bisson:** The closing comment I want to make is that I want to thank Mr Garfield Dunlop for having attended with us. I think you have conducted yourself fairly well. I look forward to seeing, I guess it's Mr Gill who'll be next up. I look forward to the same co-operation that we received from you in questions. With that, I will cede my time. That's it. No more questions.

**Mr Dunlop:** Mr Chairman, if I may through to Mr Bisson, I'll be doing the estimates for intergovernmental affairs as well.

**Mr Bisson:** I'm just curious. Why is that? I thought Gill was intergovernmental?

**Mr Dunlop:** He's doing other projects for the Premier. I'm doing the estimates.

**Mr Bisson:** Isn't that a bit of a slap type of thing to him?

**Mr Dunlop:** I don't know. I think everybody has different projects.

**Mr Bisson:** I'm disappointed. I would have liked to have seen Mr Gill. I'm just a bit surprised that he's not doing it.

**The Chair:** Merci, Monsieur Bisson.

**Mr Bisson:** Merci. Just to put the committee on notice, when we come back to intergovernmental affairs, I have a series of questions in French that I want to ask, so can we have translation ready here too, please?

**The Chair:** Yes, we will make those arrangements. We now come to the government caucus and Mr O'Toole.

**Mr John O'Toole (Durham):** Yes, I'm finding this very instructive—not just the presentation we had yesterday but the openness, and I do want to compliment the Premier's parliamentary assistant.

**The Chair:** Was there a question?

**Mr O'Toole:** There is a question, but I just want to get on. Mr Daniels, I'm very interested in your initiatives and I'm looking at issues that I know for me are customer service issues, and that's how I see my office, as an access to government. Such things as OSAP applications. There's a 1-800 number that's a total time waster for most students trying to find out if they qualified or not.

I guess my question is, are there any mechanisms today under the Ministry of Training, Colleges and Universities where, with the double cohort and their acceptance—there's a clearinghouse for all that today; it's probably under the ministry—we could actually have that information available on-line so we could help to ease the bottleneck or congestion around both the acceptance, which is all done through Sault Ste Marie or some place like that—Sudbury I think it is—and/or the OSAP acceptance? This would be very helpful for us because we then have to call the 1-800-blah number and sit and wait.

There are other issues too. I can think of nothing but this technology should be invasive—things like the Family Responsibility Office. I'm elected, I take an oath, I should be able to see the file, the record. If the person's not comfortable or competent doing it, that is not an excuse for not doing it. I can only say that, for instance, the phone book should not be printed, it should be on-line. Other suggestions: for instance, the current budget and public accounts records are printed, they're on a file somewhere. I want access.

I put to you that for us to do our job more effectively, I should not have to call someone on anything that I can think of that I do provide a service for. I'm not blaming, and this may just be the tone of my voice, but Mr Daniels, I've watched you push the edge of the envelope of customer service, and I commend you for that. But I think as a government, if you want to go e-government, I want to be the pilot for that activity. I worked in systems for 30 years. We're 30 years behind business, actually. I just wonder, is any of that doable?

**Mr Daniels:** The Internet access, like OSAP, is the best way for students to deal with—

**Mr O'Toole:** Exactly. On-line.

**Mr Daniels:** On-line, not the use of the telephone. In fact the telephone is discouraged because all our research indicates that using on-line access and the ability to get to an on-line access because—I want to just go back to the other question. At every one of our GICs is free on-line access to the government. So in other words, if you don't have it at home, you can come down to a government information centre or you can come to a library, and of course at universities it would be available for kids. Both my students use the on-line services.

I agree with what you are saying. We've got to keep ahead. Just an example: the budget that you mentioned can be distributed electronically.

**Mr Chudleigh:** We have one more question from Mr Mazzilli.

**Mr Mazzilli:** I certainly thank Mr Dunlop. You've done a great job. The Premier's office has done a great job. Summarizing, it's been a busy fall session, a busy and active government. Can you just highlight some of the priorities that the Premier has for the rest of the fall session? And if you could wrap up on that note.

**Mr Dunlop:** Well, I think—

**Mr Bisson:** You've done a great job. Thank you.

**Mr Dunlop:** I can sense that there's—

**Mr Bisson:** I was being helpful. Come on.

**Mr Dunlop:** I think it's fair to say that the government will take swift, decisive action on issues that matter most to Ontarians, most notably health care, education and the environment. Those will be our priorities as we go towards the end of this fall session, and again, I do appreciate your comments.

**Mr Mazzilli:** That's good. Mr Chair, we'll waive the remainder of our time.

**The Chair:** OK. I thank the members for their contribution at this examination of the estimates of the Office of the Premier. Now comes the time in the proceedings when we look at the vote, and there is a single vote. The vote is in the amount of \$1,977,900. This is the vote less the statutory appropriations.

Shall vote 2401 carry? The vote carried.

Shall the estimates of the Office of the Premier carry? The vote is carried.

Shall I report the estimates of the Office of the Premier to the House? We have consensus.

Again, thank you all for your contribution today.

*The committee adjourned at 1618.*







# CONTENTS

Wednesday 30 October 2002

<b>Office of the Premier .....</b>	<b>E-285</b>
Mr Garfield Dunlop, parliamentary assistant to the Premier	
Mr Art Daniels, OPS Restructuring Secretariat, assistant deputy minister, quality service	
Mr Tony Dean, Deputy Minister and associate secretary of cabinet, policy	

## STANDING COMMITTEE ON ESTIMATES

### **Chair / Président**

Mr Gerard Kennedy (Parkdale-High Park L)

### **Vice-Chair / Vice-Président**

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gilles Bisson (Timmins-James Bay / Timmins-Baie James ND)

Mr Ted Chudleigh (Halton PC)

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gerard Kennedy (Parkdale-High Park L)

Mr Frank Mazzilli (London-Fanshawe PC)

Mr Norm Miller (Parry Sound-Muskoka PC)

Mr John O'Toole (Durham PC)

Mr Steve Peters (Elgin-Middlesex-London L)

### **Substitutions / Membres remplaçants**

Mr John Hastings (Etobicoke North / -Nord PC)

### **Clerk / Greffier**

Mr Trevor Day

### **Staff / Personnel**

Ms Anne Marzalik,

Research and Information Services



CA20N  
XC26  
-E77



E-14

E-14

ISSN 1181-6465

## Legislative Assembly of Ontario

Third Session, 37<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Troisième session, 37<sup>e</sup> législature

# Official Report of Debates (Hansard)

Tuesday 5 November 2002

# Journal des débats (Hansard)

Mardi 5 novembre 2002

## Standing committee on estimates

Ministry of  
Intergovernmental Affairs

## Comité permanent des budgets des dépenses

Ministère des Affaires  
intergouvernementales



Chair: Gerard Kennedy  
Clerk: Trevor Day

Président : Gerard Kennedy  
Greffier : Trevor Day

### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Copies of Hansard**

Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

### **Exemplaires du Journal**

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.



## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Tuesday 5 November 2002

Mardi 5 novembre 2002

*The committee met at 1542 in room 151.*MINISTRY OF  
INTERGOVERNMENTAL AFFAIRS

**The Vice-Chair (Mr Alvin Curling):** We are here today for consideration of the estimates of the Ministry of Intergovernmental Affairs. We will commence with vote 1501, item 1, and we welcome the parliamentary assistant. The rules of the game here are that you have a 30-minute presentation, then the official opposition will respond for 30 minutes and the third party will have 30 minutes. You may begin, Mr Gill.

**Mr Raminder Gill (Bramalea-Gore-Malton-Springdale):** Thank you, Mr Chair and members of the committee. I'm very pleased to be able to do that. I didn't have much notice, but I'm happy to be here.

Let me start by saying again, officially, that it's a pleasure to appear before the standing committee to discuss the estimates of the Ministry of Intergovernmental Affairs.

**The Vice-Chair:** We're glad to have you.

**Mr Gill:** I would like to begin by providing the committee with an overview of the ministry's organization and major activities.

**The Vice-Chair:** May I ask before you start, do you have copies of the statement? Could that be made available to us soon?

**Mr Gill:** Thank you for reminding me. We will try and make sure we get those copies after completion, within the next few days if that's OK with you.

**The Vice-Chair:** I'd much prefer that we have it as early as possible. A few days seems to be quite extensive.

**Mr Gill:** Thank you, Chair.

I will discuss Ontario's approach to relations with the federal government and the other provinces and territories. Also of importance, I will review several of the positive and constructive steps this government has undertaken in pursuit of its intergovernmental goals.

My remarks will be divided into two sections. First, I will discuss the ministry's budget and its core business. Then I will describe some of our key intergovernmental files in order to give you a better understanding of what we have achieved.

As you know, the Ministry of Intergovernmental Affairs is a small ministry and it has become even smaller over the last few years. The staff complement in

the fiscal year 2002-03 is 38.5 full-time equivalent positions. This represents a decrease in staff of 41.6% since fiscal year 1995-96. The ministry's budget in 2002-03 is \$4.56 million. I must highlight that this represents a 20.7% decrease since 1995-96. We have been able to achieve these savings by reducing our administrative costs and developing new ways of doing business.

The overall structure of the ministry consists of a policy division and a small main office comprising the minister's office and the deputy minister's office.

How are we doing time-wise? Do I still have a few more minutes?

**The Vice-Chair:** Keep going. You have lots of time. You have 27 minutes.

**Mr Gill:** Good. I have a lot to say, Mr Chair, if you will allow me. It's an important ministry and I want to make sure we spend the time together in the committee, because that's what the committee is for, to understand the core business and some of the initiatives the ministry has taken. It is important for me to point out, as I said, that the ministry's budget has decreased from before and is running very efficiently. I'll touch on that as I go along.

The policy division has been organized into a project-oriented team structure that makes best use of existing resources and enables the ministry to provide policy advice across a broad spectrum of intergovernmental activities.

The ministry recognizes the necessity of being both efficient and effective in the delivery of services. The organization is small, flexible and fully accountable. The ministry has taken measures, including strict expenditure control and full program evaluation, to ensure that all non-essential expenditures have been eliminated and that it can cope with unforeseen cost pressures.

I would now like to say a few words about the ministry's core business and principal functions.

Ontario is involved in numerous federal-provincial and interprovincial issues. The Ministry of Intergovernmental Affairs provides advice and analysis on the most effective ways of managing these diverse issues.

To support this core business, the ministry divides its work into two related components. The first component can be labelled Ontario in the federation.

The ministry provides advice to the Premier and the Minister of Intergovernmental Affairs on key intergovernmental issues in order to ensure that Ontario adopts a consistent corporate position across all sectors.



At the same time, I think it's important to note that the ministry works to improve relations with the federal government and with other provinces and territories. It does this in several ways, and I'll try to highlight some of them.

It does this by maintaining contact with key officials in these jurisdictions, by monitoring events and opinions across Canada and advising on the potential implications for Ontario, and by taking a leadership role in attempting to broker consensus positions that will strengthen Ontario's hand in intergovernmental relations.

The ministry also offers advice and assistance, as appropriate, to other Ontario ministries that are involved in negotiations with the federal government or other provinces and territories.

1550

Mr Chair, I understand my remarks are being translated for the benefit of people who may have French as their first language, so I want to welcome the viewers who might be watching this currently or who might be interested in seeing this later on. We're quite please to be able to offer this.

**Mr Ted Chudleigh (Halton):** Are you going to speak French?

**Mr Gill:** I shall attempt it later on, Mr Chudleigh, even though Punjabi has become the second most spoken language in my riding.

**Mr Chudleigh:** You can give us a few minutes of that.

**Mr Gill:** Thank you.

The second component of our core business relates to the annual Premiers' conference and first ministers' meetings. The ministry coordinates Ontario's participation in these meetings, and in doing this it works closely with other Ontario ministries. The aim is to support the Premier. Working with the Premier's Office and Cabinet Office, the ministry coordinates the development of Ontario's policy and communications objectives for these meetings and ensures that strategies to implement these objectives are developed.

MIA, or the Ministry of Intergovernmental Affairs, is also involved in the planning that precedes sectoral intergovernmental meetings. The goal here is to ensure that Ontario's position at these meetings is consistent with Ontario's overall intergovernmental objectives and with any commitments previously made by the Premier.

In concluding this section of my remarks, it might be useful to describe the ministry's vision as set out in our business plan. I'll talk about the vision briefly.

The Ministry of Intergovernmental Affairs will ensure that Ontario continues to play a constructive role in strengthening the Canadian federation and preserving national unity, while promoting a secure and prosperous Ontario. I think it's important to highlight that, and I'll continue.

In partnership with other Ontario ministries, the Ministry of Intergovernmental Affairs will advance the government's priorities by providing advice on intergovernmental issues. The ministry will work with the federal government and other provincial and territorial

governments to improve the way in which both orders of government co-operate to provide efficient and effective programs for Canadians. If I may highlight, I think "co-operate" is very important.

*Interjection.*

**Mr Gill:** I'm sorry, Mr Peters?

**Mr Steve Peters (Elgin-Middlesex-London):** No, it's not a question. I'll wait.

**Mr Gill:** Thank you. I have a lot more to say. I'm sure there'll be other questions as we go along.

At this point, I would like to speak briefly about intergovernmental relations as a structural feature of Canadian federalism.

**Mr Gilles Bisson (Timmins-James Bay):** Say that again.

**Mr Gill:** I would like to briefly talk about intergovernmental relations as a structural feature of Canadian federalism.

It is rare in this country to find a field of public policy that does not have some degree of intergovernmental involvement. The division of powers in the Canadian Constitution, combined with the spending power of the federal government, gives an intergovernmental dimension to a vast range of programs and services. In this context, intergovernmental consultations are simply unavoidable.

For the most part, these interactions are cordial and lead to a positive result. At times, however, there can be disagreements and even conflict. Unfortunately, the conflicts draw more attention than the more numerous issues that are resolved amicably. Because the actions of one order of government can have such significance for the affairs of the other, mechanisms must be in place to assist dialogue and co-operation.

The Constitution divides jurisdiction into areas for which the federal government is primarily responsible, such as defence and foreign policy, and those for which provincial governments are primarily responsible, such as social programs and education. There are also areas of shared jurisdiction, such as the environment and agriculture.

I hope I'm not going too fast, because I want everybody to understand the intricacies of how the intergovernmental affairs ministry works.

This being said, the federal government also has an additional lever, the power to spend federal money, and therefore to influence policy, in areas of provincial jurisdiction. It can do this by transferring funds to the provinces for certain specific purposes; for example, the Canada health and social transfer, CHST. It can also do it by providing direct transfers to individuals and organizations, as in the case of the millennium scholarships and social agencies that address homelessness.

Canadian federalism is characterized by both co-operation and competition among governments. Both levels of government frequently agree on what they want to achieve, but they do not always agree on the best route to realize those achievements. It is the role of the MIA and its counterparts at the federal level and within the

other provinces and territories to build the bridges that allow constructive dialogue to occur.

Let me describe some of the more significant inter-governmental issues with which the Ministry of Inter-governmental Affairs is currently involved. I would like to begin with health care. Health care is one of the most important issues on the federal-provincial agenda. This is understandable given the enormous sums of money involved in operating this program.

Survey after survey has confirmed that health care is the number one priority for the majority of Canadians, so it is essential that the federal and provincial governments work together to ensure the delivery of quality services to people, when and where they need them.

The discussions around health care have covered two main areas: health care reform and health care funding. Let's look at each of them.

Ontario is participating in several collaborative projects with the other provinces and territories aimed at enhancing the operation of the health care system.

In January of this year, the Premiers met in Vancouver specifically to discuss health care. During this meeting, they identified a series of initiatives they could jointly undertake to improve the operation of the system and, potentially, to save money. I think that's important as well, to make sure the governments are run efficiently.

The initiatives they agreed upon are as follows.

First, a common drug review process is being established to determine which new drugs should be added to provincial formularies. This ends the needless and costly duplication of effort that occurs when every province establishes its own review process.

Second, provinces are taking steps to streamline their approval processes for generic drugs so that effective but less expensive drugs can be made available more quickly.

**1600**

Third, sites of excellence, designed to allow provinces to share specialized medical procedures, are being identified in areas such as pediatric cardiac surgery, gamma knife neurosurgery, and brain repair. The sites offer particular benefits to smaller jurisdictions that could not provide all of these specialized services on a cost-effective basis within their own borders.

At the same meeting, Premiers agreed to establish the Premiers' Council on Canadian Health Awareness. The mandate of this council is to enhance public understanding of the challenges facing health care today. Provinces each agreed to contribute 20 cents per capita for two years to fund this work, and the council was officially launched in September 2002.

By working together in the ways that I have just described, provinces and territories have made significant progress in improving the services available to Canadians at a lower overall cost.

Health care reform is only one aspect of ensuring that the health system is sustainable over the long term. The other aspect is funding, which is also a very important aspect of health care. Cost pressures resulting from such things as a growing and aging population and expensive

new technologies are placing a tremendous burden on our health care system.

Recognizing this, all provinces and territories have committed ever increasing amounts of money to ensure that health care is adequately funded. Increases in health budgets regularly outpace the incremental revenues generated from economic growth.

To illustrate, provincial-territorial health care spending has grown by an average of \$4.25 billion per year over the past five years. Ontario has increased its funding for health care to \$25.8 billion in fiscal 2002-03 from \$19.1 billion in fiscal 1998-99, an average annual increase of 7.8%. Health care spending now accounts for about 47% of total program spending in Ontario.

Unfortunately, these increases are not being matched by the federal government, a fact that greatly concerns all Premiers, regardless of their political affiliation. I think it's important; let me repeat that: unfortunately, these increases are not being matched by the federal government, a fact that greatly concerns all Premiers, regardless of their political affiliation. Let me provide some background, members of the committee.

When medicare was first introduced in 1968, Ottawa paid 50% of the total cost of the services that were then covered. Since that time, the scope of the program has increased, with corresponding cost increases, while the federal government has sought to protect itself from the resultant fiscal pressures.

In 1977, the federal government and the provinces agreed to implement a new transfer program, established programs financing, EPF, the established programs financing arrangements. It included a cash transfer that grew at the rate of GNP and a transfer of tax points from the federal government to the provinces. But in the years following the agreement, Ottawa unilaterally eliminated the GNP escalator and raised taxes, effectively reoccupying the tax room it had given up.

In 1996-97, the federal government replaced the EPF, established programs financing, and the Canada assistance plan, CAP, with the Canada health and social transfer, CHST. In so doing, it merged its health care and post-secondary education transfers with those for other social programs and made massive funding cuts at the same time.

CHST cash transfers now total only 14% of total provincial-territorial spending on health and other social programs, less than what it was in 1994-95, when total cash transfers were equal to 18% of spending in those areas. CHST cash entitlements for Ontario in 2002-03 are only \$415 million more than the province received for 1994-95. Meanwhile, total spending by the province on health, post-secondary education and other social programs has increased by almost \$9.5 billion.

As provincial governments have grappled with this challenge, Ontario has played a leading role in trying to encourage the federal government to become, once again, a full partner in meeting the rising costs of health care. "Full-partner," Mr Chair, as I said earlier, means we expect 50-50.



The provinces and territories have taken several initiatives to support their call for increased federal funding for health care. Let me briefly describe some of them to you. Letters have been written to the Prime Minister and the federal finance minister from the Premier of Ontario and the Ontario Minister of Finance urging the federal government to restore the cuts.

At each annual Premiers' conference since 1998, Premiers have called for the CHST to be restored to at least its 1994-95 level of 18%. Ontario mounted public information campaigns in February 2000 and December 2001 in support of the position taken by the provinces and territories. Since the 2000 annual Premiers' conference, Premiers have also stressed the need for an appropriate escalator to be applied to the CHST that would adjust the level of funding each year to reflect increasing program costs.

At the 2002 annual Premiers' conference, Premiers called on the federal government to join them in a new funding partnership for health care and urged the Prime Minister to call a first ministers' meeting after the release of the Romanow commission report and before the next federal budget.

All these efforts have produced some positive results. At the September 2000 first ministers' meeting, the federal government announced it would increase its contribution to health care funding by \$21 billion over five years. However, even after this increase, the federal contribution through the CHST remains 4% lower in percentage terms than it was before the 1994-95 cuts. More needs to be done.

In the September 2002 speech from the throne, the federal government committed to convening a first ministers' meeting on health care in early 2003. In his response to the speech from the throne on October 1, the Prime Minister said that details of enhanced federal support would be set out in the next budget. As you can see, Ontario, in partnership with the other provinces and territories, has kept up the pressure on the federal government to increase its support for health care.

Let me now turn to another example of intergovernmental activities: the social union framework agreement. At the August 1995 annual Premiers' conference, Premiers agreed to make social policy reform and renewal a shared priority. As a step toward the realization of this goal, they established a ministerial council. This was the seed for the social union framework agreement, or if I can use the abbreviation, SUFA, as it has become known. Soon after, the federal government joined the process.

The social union framework agreement was signed by all first ministers, except Quebec, in February 1999. Its purpose was to make social programs more efficient and effective for Canadians by providing a framework for better co-operation among governments.

1610

The framework is an administrative agreement that includes several important provisions. First, governments are to be accountable to their constituents for the social programs that they provide. This includes monitoring outcomes and regular reporting on performance. Second,

governments are to ensure that Canadians have mobility within Canada by eliminating unreasonable residency-based policies or practices that constrain access to social programs. Governments are also to ensure that no new barriers to mobility are created in new social policy initiatives. Third, governments committed themselves to cooperate with one another before implementing new major changes in social policy that will significantly affect another government. Finally, the federal government committed to consult with provinces and territories on the use of the federal spending power to fund new or revised social programs in areas of provincial jurisdiction.

In conclusion, Mr Chair—I have a lot to say, but I understand that you are only going to allow me another minute or so—this government is committed to working with the federal government and the other provinces and territories to resolve issues of importance to Ontario and to improve the delivery of programs and services to Canadians. Ontario remains optimistic that continuing discussions between the provinces and Ottawa will produce positive results.

There is every reason for that optimism. The inter-governmental process of negotiation, co-operation and consensus-building can be credited with many successes. We know that federalism works. We also know that it takes a sustained effort to ensure that positive communications exist between the provincial, federal and territorial levels of government. Canadians expect their governments to work together.

Ontario understands that although there are two orders of government in Canada, there is only one taxpayer. There is more to be done.

**The Chair:** Mr Peters, you have 30 minutes for the official opposition.

**Mr Peters:** I look forward to receiving a copy of your presentation—the full version, actually, because I understand that you weren't able to complete it. I would certainly encourage you to maybe send a copy of your speech to the Prime Minister as well. I think they'll be very interested to see the proactive role that the province is taking at enhancing and improving federal-provincial co-operation.

On page 4 of the estimates, under the ministry's overview statement, there's a comment at the bottom of the page that, "The Ministry of Intergovernmental Affairs anticipates that it will not initiate any program or operational changes in the current fiscal year that will affect the ministry's budget." I'd like to know what has happened in the ministry. When you read your overview statement and then I went to the government 2002 directory, your statement very much mirrors what's in the government phone book, but I'd like to know what's happened here. "In addition, the Ministry of Intergovernmental Affairs has responsibility for north/south initiatives and developing a strategic approach to advancing Ontario's interests in the United States across a broad range of economic, social and governance issues." That isn't contained in the overview statement and there's no explanation given in this budget. When



you refer to page 16 of the estimates, there's just an asterisk and it says, "Bring-forward of the North/South Initiative \$225,000." So that appears as a reduction of \$225,000.

I was wondering if you could offer me an explanation. I recognize the importance of intergovernmental affairs federally and interprovincially, but I think from Ontario's perspective, those states that border on Ontario, New York, Michigan and Minnesota, I guess, as well—to me, those are intergovernmental affairs. We saw that there was a tourism initiative this past summer between the province and the state of Michigan.

So I'd like to know why this north-south initiative of \$225,000 has been cut out of the operating budget and what the rationale was to not try to enhance relations with the Americans.

**Mr Gill:** I would ask Deputy Ross Peebles, who is with me today, to perhaps shed some more light on it.

**Mr Ross Peebles:** Thank you, Mr Gill. You're right. There was a three-year initiative and it had \$225,000 per year for enhanced north-south intelligence gathering to form a better database of what was going on in the US.

Some time ago, I think it would have been probably in the mid-1990s, the responsibility for international relations that had previously been part of the Ministry of Intergovernmental Affairs was repositioned to be part of what was the Ministry of Economic Development and Trade and has subsequently become the Ministry of Enterprise, Opportunity and Innovation.

Given that this initiative was a three-year, time-sensitive thing, we talked to MEOI and decided that it would probably be more sensible to put all the money related to north-south initiatives into that ministry and put the entire responsibility for American-Canadian relations, to the extent that it exists within Ontario, into that ministry. So we took it out of our budget and they've got that responsibility now.

**Mr Peters:** Mr Gill, could you explain to me—I hear what Mr Peebles has just said about sending it to that ministry. To me, that ministry is charged with responsibility to promote this province and to bring investment into this province. I see the Ministry of Intergovernmental Affairs encompassing a wider range of issues. They could be some of the border issues that we are facing: tourism, environment, agriculture.

Why would you make a decision to send it to a ministry that in my opinion doesn't fully represent the true scope of what we do as a province? Could you explain to me how Ontarians are going to benefit from it going to that ministry and being removed from this ministry?

**Mr Gill:** The reason for the transfer, as I understand it, is we felt that it fit that ministry better because it is an economic development engine and we felt that it was best spent in that ministry. I'm sure we might have differing views, if spending the money there is the right way of or not, but we, as a government, felt it was better spent there.

**Mr Peters:** Let's use an example of the environment. We've heard a lot of discussion about coal-fired gen-

erating stations and I've heard the Premier stand up and say that a certain percentage of pollution that comes into Ontario is American. How is dealing with the environment an economic development issue? To me, the Ministry of Intergovernmental Affairs should be taking the lead in ensuring that from province to state we're talking about issues. I'll use the example of a coal-fired plant in Michigan. How is that an economic issue and not an environmental issue?

**Mr Gill:** With the pollution issue, you brought up a very good point. As you said, some of the pollution comes out of the US. I'd like to stress that the majority of the pollution comes out of the US. Even if we were to do as the Premier said, even if we were to shut down all the coal-fired plants, we'll still have the greenhouse gas effect. That's why my own position has been, let's find a made-in-Ontario solution to the Kyoto accord. If you look at intergovernmental affairs, more and more provinces have come on board with the same thinking, saying that we should have a Canadian-made solution.

Just to point out, in coming back to your concern, the Ministry of the Environment is meeting with those provinces all the time. Whether the money is in the Ministry of the Environment or the Ministry of Economic Development or Intergovernmental Affairs, those are basically semantics. The meetings are going on. It is important for us to know and deal with and highlight some of the concerns about pollution to neighbouring states. It's a valid concern, but those meetings, let me assure you, are carried on to address those issues.

1620

**Mr Peters:** I'd like to ask some specific questions within the budget. I'll go to pages 12 and 13. There are two lines in particular I'd like some explanation of, and they're both lines that deal with transportation and communications.

On page 12, under administration operating budget, you budgeted \$84,000 and spent \$186,000. Now you've brought that budget back down again, but you spent \$100,000 more than you estimated you were going to. Then, if you follow over to page 13 on ministry administration, main office, you see something very similar, where it was estimated at \$67,500; we spent \$143,616; and then we're back down to \$67,500 again. Could you tell me specifically why in those two areas of transportation and communications we were almost \$200,000 over budget?

**Mr Gill:** Mr Peters, if we are reading it correctly, let's go back to page 12. You're pointing out \$84,800. That is a 2002-03 estimate and the other figure—

**Mr Peters:** An estimate of how much you're going to spend.

**Mr Gill:** Yes. But previously, in 2001-02, we had spent \$186,963. Again, I would like the deputy to perhaps answer it, but those are two different numbers you're looking at. One is an estimate, what you're going to be spending next—

**Mr Peters:** And one is an interim actual, which looks like you spent over \$100,000 more.

**Mr Gill:** Yes. One was previous actual, so we're going to find out what the difference is.

**Mr Peebles:** First of all, we're dealing with fairly small numbers here.

**Mr Peters:** It's all taxpayers' dollars, though, sir.

**Mr Peebles:** Yes, absolutely. I'm just explaining what looks like a 100% increase.

**Mr Peters:** I'm used to municipal days. We went through budgets line by line. In dealing with intergovernmental affairs, I realize it's not one of the larger budgets, but I'm concerned about every dollar we're spending.

**Mr Peebles:** The difference between the actuals and the estimate is that when we put the estimate together, we were expecting there would be one APC, or Premiers' meeting, as there normally is every year, but in the last fiscal year there were two. There was the normal annual Premiers' meeting that happened in Victoria and then the Premiers decided to meet again on health care in January. Of course that was a second fairly significant event that involved the Premier, the minister and so on. Essentially our expenses doubled for that reason.

**Mr Peters:** Could you tell me then what the cost was? If we've gone from one Premiers' meeting to two, I'm assuming that \$84,800 can't be allocated to the cost of a Premiers' meeting. How much do you budget for one Premiers' meeting a year and how much additional did we spend to have two Premiers' meetings?

**Mr Peebles:** The average for a Premiers' meeting is about \$36,000 annually. If we have two, that bumps it up.

There was another unexpected event that happened last year, the twinning of Ontario with a province in South Africa. There was an event that happened in South Africa when the previous minister went over to sign the twinning agreement. That was also an unexpected airfare that's part of the actual expenditures.

**Mr Peters:** Does that explanation you have just provided me relate to page 13, transportation and communications as well, where it goes from \$67,500 to \$143,616?

**Mr Peebles:** The main office is the minister's expenditure. That would be the minister and the minister's executive assistant going to South Africa and to Victoria or Vancouver, one or the other. There were two trips that year instead of the normally expected one. We had budgeted for one and we had not budgeted for South Africa at all.

**Mr Peters:** Again, are you saying it costs, on average, about \$36,000 to send either the Premier or a minister to one of these meetings?

**Mr Peebles:** That's the total cost of a Premiers' meeting. It involves the staff who go out: the Premier, his staff and security, and the minister. Last year we had a separate minister, so there was an expenditure for that minister as well.

**Mr Gill:** If I can highlight, it's important to note that more trips or more money spent should not be taken in a negative light. I hope that's not what we're trying to say. It does mean more activity, perhaps more intergovernmental-type activities. You might say it should be budgeted properly. I fully understand what you're trying

to say, but just because more was spent does not mean it's been wasted. It just means there's more activity going on. There are more types of agreements being signed, twinning and whatever else is happening. I want to make sure we understand it's not wasted money, but it's being utilized—

*Interjections.*

**Mr Peters:** I'm hearing the heckling on the other side. I'm not questioning that. I'm questioning why \$84,000 is budgeted and we spend \$186,000. That's what I'm questioning.

**Mr Gill:** Sure. As the deputy said, it is the higher rate of activity or more trips that had to be taken at that time.

**Mr Peters:** OK. We're going to ask permission to change—

*Interjections.*

**The Acting Chair (Mr Steve Peters):** Mr Curling.

**Mr Alvin Curling (Scarborough-Rouge River):** Thank you very much, Mr Chairman, for recognizing me.

Mr Gill, thank you for stepping in at a time when the other individual, Mr Dunlop, is not here, but I have to do a little rant all the time over this. I'm always very disturbed when a minister is not here to defend his estimates. I think how we spend taxpayers' money is the most important thing in this Legislature, and the minister, who is paid well, with good staff, should be here to defend his estimates. That minister is not here and I'd like you to take this back to the minister and say that I was completely disturbed at the fact that he's not here to defend his estimates.

**Mr Gill:** I'm sure you understand that, as parliamentary assistants, it is our duty, if the minister's busy, to come in and, with pleasure—

**Mr Curling:** Mr Gill, we're all busy. If you're saying the Premier's busier than I am or busier than you are, that's why he's paid more. That's why he's given the chauffeur and that's why he's given the staff. However, having said that, I know you'll do quite an able and good job. You're quite a capable individual.

**Mr Gill:** Thank you.

**Mr Curling:** However, my questions will not be solely directed to you as much as that you can deflect them to the very able civil servants you've got there.

What's the status of the labour market agreement? If it is not signed, why is it not signed? Could you give me just a two-minute update, not consume my whole time?

**Mr Gill:** As you said, you will ask and I will request the deputy perhaps to shed some more light on that.

**Mr Peebles:** You have put your finger on one of the unhappier issues in federal-provincial relations, as they relate to Ontario at least.

As you know, every jurisdiction in Canada has a labour market agreement, including Nunavut, which didn't exist as a territory when the federal government entered into the first of these. When the offer to sign agreements with the provinces was first made in 1999—I think it was around 1999—there were a couple of issues that were bones of contention between Ontario and the federal government. One was a bone of contention; the



other one was an issue that had to be worked through, and that had to do with the staff that would have migrated from the federal public service into the Ontario public service. There were some issues that had to be ironed out around that. That made it difficult for Ontario, at that point, to accept the offer as it was put to the ministry. The other issue had to do with the share of the funding that would come to Ontario. The government felt that it was less than appropriate for the amount of initiatives that were going on in Ontario.

**1630**

So those two issues sort of played out over a couple of years. Finally the one issue was resolved, the matter of the staff migrating to the public service, and an accommodation was arranged.

The other matter, I think, was not obviously resolved, but finally, recognizing that we had gone about as far as we could go with arguing about it, the minister, Mrs Cunningham, wrote to her federal counterpart, the minister of HRDC, and accepted without any further conditions the offer that had been initially put to us.

At that point the federal government said they couldn't enter into a new arrangement now because they were waiting for the release of the skills and innovation papers that were being worked on by, respectively, Industry Canada and Human Resources Development Canada. So, "Wait until these reports are released and then we'll see where they go."

The reports were subsequently released, I think it was August or September of last year—is that right? I think it was around August or September. Strangely enough, the particular report on skills development praised these agreements with the provinces as being the ideal way of maximizing the use of scarce resources and so on, and held them up as being a very positive development in federal-provincial relations.

**Mr Curling:** So it was signed and you received the money.

**Mr Peebles:** Oh, no. We don't have anything. But this report that the feds were waiting on played up the fact that these agreements existed. It didn't mention they don't exist with Ontario but mentioned the fact that they existed, which prompted my minister at the time, the Minister of Intergovernmental Affairs, and I think the Premier as well, to write to their federal counterparts and say, "We're still waiting. Where's our agreement? We're prepared to sign it whenever it's available to us." At that point, the feds indicated that they wouldn't sign an agreement and we still don't have one.

**Mr Curling:** In other words, there is a breakdown between this ministry and the federal government, and the people suffer in the meantime. So the effectiveness of this ministry is not being seen here one way or the other. It broke down. I know you gave an explanation.

Let me move on to something else—

**Mr Frank Mazzilli (London-Fanshawe):** On a point of order. I think, Mr Chair, if I may—

**The Acting Chair:** I'll listen to your point of order, but I believe he was just making a comment.

**Mr Gill:** Which I think is inappropriate, Mr Chair.

**Mr Curling:** When you get your time, you can talk in that time. Let me continue, because we have a very short time here, especially when this government normally puts time allocation on everything.

**Mr Gill:** That was an inappropriate comment, Mr Curling.

**Mr Curling:** This is my moment now. You can comment when your time comes around, Mr Gill.

This interrelationship with the provinces, with certifications: some trades, like a doctor who got certification in New Brunswick, I understand, cannot practice in Ontario. There are some provinces that cannot have interchanging professions practised in Ontario. How many provinces do we have with that and how many certifications—engineers or doctors and so on—are not allowed to practice in Ontario? Do we have any statistics on this?

**Mr Gill:** As you know, each province has their licensing bodies—

**Mr Curling:** I know that.

**Mr Gill:** —and I would like the deputy perhaps to shed light as to how many have agreements among themselves.

**Mr Peebles:** In terms of having that number at my fingertips, I'm sorry, I don't have it. You're interested in medical doctors, particularly?

**Mr Curling:** Yes, I'm interested in all trades and professions. We have one Canada and we have an Intergovernmental Affairs minister who should be working on all of those issues. Is a Canadian in New Brunswick a different Canadian in Ontario? Is an engineer in New Brunswick a different engineer here? The Ministry of Intergovernmental Affairs should be settling most of that, and I'm not seeing any action there.

We hope we can get some statistics on which certifications are not allowed in Ontario, and why not. As a matter of fact, I'm not even interested in the why not right now. I just want to know whether you have numbers that you could provide me with. Who are these people, and from which provinces do we not allow certified people to operate here?

Let me proceed. We quickly want to talk about the associations—

**Mr Gill:** Can I—

**The Acting Chair:** Yes, give him a chance to answer you.

**Mr Curling:** No, I don't want him to have a chance to answer yet, because I have 30 minutes—

**The Acting Chair:** No, Mr Curling, give him an opportunity to answer the question, and then we'll come back to you question.

**Mr Curling:** Could I then appeal to you, Mr Chair, that I will give him all the chance to answer when he gets his other time around afterward. He can reserve that.

**Mr Mazzilli:** No, no, no.

**Mr Curling:** It's my time.

**Mr Bisson:** On a point of order, if I can be helpful, Chair: this is the first round and normally each party has an opportunity, up to 30 minutes, to make statements,



comments or questions. If he wants to do a statement, it's within his right.

**The Acting Chair:** Thank you. That's a very good point.

**Mr Gill:** On a point of order, Chair: even if it's an inaccurate statement he's making?

**The Acting Chair:** It's statements right now, and then—

*Interjection.*

**The Acting Chair:** I apologize, Mr Curling. Please continue. You have five minutes remaining.

**Mr Curling:** I can't understand how I can make an inaccurate statement when I'm asking a question and for some statistics to be given to me.

*Interjection.*

**Mr Curling:** Mr Gill, I was on a nice roll, but you're trying to distract me.

I want to know, what is this ministry doing? Maybe you can answer this one, Ram. What is this ministry doing to make us one as Canadians? Because that's what intergovernmental affairs is all about. When the Premier goes to the first ministers' conference, is that on the agenda, to find out if we have two kinds of Canadians, where some are first class and some are second class? Some of these things are happening right now. What is the government doing, especially in racial profiling, that some Canadians can't travel across the States because they are from certain Commonwealth countries? What is the Ontario government, Intergovernmental Affairs, doing to protect those citizens of Ontario, therefore not only in profession but also in status as Canadians? What are they doing, since you want to answer that question so much, Mr Gill?

**Mr Gill:** Mr Curling, if I may, you talked about labour mobility and you talked about the trades moving back and forth. Let me assure you, as you already know—you were in the Chair earlier on as I was making my statement, and I'm sure you were listening intently—but let me try and repeat that—

**Mr Curling:** Just be a minute or so.

**Mr Gill:** Let me try and repeat that, if I may answer you, Mr Curling.

We have moved ahead with having more and more agreements and much more accessibility, compared to when your government was in power and when the NDP government was in power. We have moved ahead. Some of the issues you brought up are federal issues in terms of immigration and visas required to cross the border, be it Commonwealth members or not, so I would certainly encourage you to perhaps talk to Mr Coderre—

**Mr Curling:** All right. Let me tell you whom you can speak to: the medical association, the engineering association, which have been given the power by the Ontario government. You see? When are you going to talk to them? Since you want me to speak to my cousins in Ottawa, I'll speak to them. But in the meantime—not in the meantime; immediately—are you prepared to speak to those associations that are the gatekeepers, that sometimes restrict individuals to operate or perform their

skills here? Is the Ministry of Intergovernmental Affairs prepared to do that right away? If there are individuals within those associations who are restricting individuals or Canadians or Ontarians from performing to their ability, are you prepared to do that now?

1640

**Mr Gill:** Each and every ministry is moving ahead. As you might have heard from the Minister of Health and Long-Term Care, we are opening up doors in terms of more IMGs—international medical graduates—so we are giving more and more access to Ontarians to the accreditation that they should have. We're moving ahead much more than any other government previously has done.

**Mr Curling:** Are you prepared to open doors for the other provinces, doctors who were trained in other provinces who are not able to perform their duties in Ontario?

**Mr Gill:** Exactly; we are already moving ahead to make sure that those areas of responsibility, if you want to call it that, between the provinces are being looked at. We are working toward that and those bodies that accredit them are being encouraged to have a more and more open-door policy.

**The Acting Chair:** One minute, Mr Curling.

**Mr Curling:** Why would you encourage them when they have a mandate? We identified the problem. We keep on encouraging them, but what is happening is the individuals with skills—we talk about shortages of doctors and what have you, yet the government sits there and blames it on their associations and says, "Well, we mandate them and you have to encourage them." You can legislate them; you can change the legislation. I do hope that intergovernmental affairs will be a much more effective ministry. That's why I so much wanted the minister here, because I know you're trying to do your best with this. They give you a basket to carry water, and there's nothing there when you come here. Thank you.

**The Acting Chair:** We'll continue on. That's pretty well it for the time. Mr Bisson?

**Mr Bisson:** I'll just warn members, I'm going to be switching to French a little bit later, so make sure you have your translators. The first part is going to be in English and the second part is going to be in French. I just wanted to make sure you had it so you're not fumbling for it later.

**Mr Mazzilli:** What channel is it?

**Mr Bisson:** I don't know. You'll find out what channel it is when we get started.

The first part of my question is fairly straight-up. As parliamentary assistant to intergovernmental affairs, do you have any understanding of the immigration policies in the province of Ontario? Do you know what the arrangements are between the federal and provincial governments?

**Mr Gill:** I will—

**Mr Bisson:** No, I'm asking you. I'm not asking anybody else; I'm asking you.

**Mr Gill:** No, I'm not at the present time aware of the immigration policies. I thought immigration per se was a federal matter, Mr Bisson.

**Mr Bisson:** OK. Are you aware that the provinces—for example, the province of Quebec has negotiated and signed an agreement with the federal government, thereby giving it a certain ability to have immigration policies determined vis-à-vis the needs of the province of Quebec. Most other provinces have done that. Are you aware of which provinces have signed that agreement and which have not?

**Mr Gill:** I do understand that Quebec has a separate agreement with the federal government. Our policy in Ontario has been to welcome the Ontarians. As you know, in my own riding, in Peel, we have hundreds of thousands of—

**Mr Bisson:** No, that's not my question. You and I agree on that. Ontario is—

**Mr Gill:** We welcome them in our ridings.

**Mr Bisson:** You and I agree on that point. My question is, the federal government has signed agreements with various provinces on the responsibility for immigration. Are you aware of which provinces have not signed such an agreement?

**Mr Gill:** I believe only Quebec has signed it, and that was in 1991. They call it the Canada-Quebec Accord on immigration, but I'm not aware of any other province.

**Mr Bisson:** To your associate minister—Mr Peters, is it?

**Mr Gill:** Mr Peebles, yes.

**Mr Bisson:** Mr Peebles, could you answer that question for him? Which of the provinces have not signed?

**Mr Peebles:** The only agreement that is any way like Quebec's—that's unique to Quebec. There are several other provinces that have signed agreements that are very much more limited in scope. No other province has anything like the ability to screen immigrants outside a country in the way that Quebec has.

**Mr Bisson:** Now, back to Mr Gill. As the parliamentary assistant, are you aware that the provinces, by way of the Constitution, have the ability to have a greater say in immigration policy?

**Mr Gill:** I would say that is correct.

**Mr Bisson:** Are you aware that Ontario is actually the only jurisdiction that has not negotiated any agreement with the federal government, and do you agree with that position?

**Mr Gill:** No, like I said, the only one I know that has signed an agreement since 1991 that I know of is Quebec.

**Mr Bisson:** Most other provinces have signed one form of agreement or another. My point is that Ontario, being the province that accepts the most new Canadians—and rightfully so; we're a prosperous province and nobody argues the point that we shouldn't allow immigration to happen. But how do you feel, as a member of the government, that Ontario has not tried to negotiate any kind of agreement with the federal government vis-à-vis immigration policy?

**Mr Gill:** Being a first-generation immigrant myself, I always felt that the federal government had the responsibility of approving immigration, generally speaking. I know they have missions across the world, and it is their job. Having said that, as you and I agree, Ontario is welcoming immigrants. We don't have a say in who comes to Ontario. We will welcome each and every one. I don't know whether we, at the present time, should be deciding only who can come to Ontario or who shouldn't come to Ontario. I think we should welcome everybody with open arms.

**Mr Bisson:** To me it's not a question of who we should welcome. I think all people should be welcome to Ontario, and I think you and I agree on that. That's not my question. My question is that most other provinces have, at one time or another, negotiated some form of agreement with the federal government vis-à-vis immigration, from everything having to do with dollars for training when it comes to ESL to dollars for various immigration welcoming policies with regard to being able to access funds to provide the various services that immigrants need when they're new Canadians. My question to you is, how do you feel, as a member of the government, being probably one of the only provinces—even though we welcome more new Canadians than anybody else—that has not signed any form of agreement with the federal government vis-à-vis immigration?

**Mr Gill:** Again, I think we both agree. One of the reasons most immigrants come to Ontario is, as you know, the booming economy. Every immigrant—

**Mr Bisson:** No, no, that's not my question.

**Mr Gill:** —no matter how, they're coming in—

**Mr Bisson:** Mr Gill, excuse me.

**Mr Gill:** If I may, I have the floor.

**Mr Bisson:** No, Mr Gill, this is my time and I'm asking you a specific question. We can all agree on your spin about the greatest economy in the world and probably the universe, and I'll give you credit for that. My question is, and let me come specifically to where I'm going: there are a number of policies that the federal government has been quiet on that are really troubling to me as an Ontarian. I wonder why we as a province and specifically why your government isn't speaking out more forcefully against them; for example, the issue of racial profiling at borders. How do you feel, as a member of the government, about the position your government has taken with regard to racial profiling as Canadians cross the border into the United States?

**Mr Mazzilli:** That's a federal issue.

**Mr Bisson:** It's not a federal issue.

**Mr Gill:** As an individual, certainly we have objected to any kind of racial profiling. As long as one is a Canadian citizen or a Canadian immigrant, I think it's unfair for anybody to even worry about where they were born. I think they should have free access, just like anybody else.

**Mr Bisson:** So you agree that racial profiling is a bad policy?

**Mr Gill:** Racial profiling of any kind is not a good policy.

**Mr Bisson:** And if your government was to take a position in favour of racial profiling, would you say that's a positive or a negative thing?

**Mr Gill:** It's a hypothetical question, Mr Bisson.

**Mr Bisson:** It's not hypothetical. My question is, if your government took a position in favour of racial profiling as a policy, would you say that's a positive or a negative thing?

**Mr Gill:** I refuse to answer that. I think it's a hypothetical question, and—

**Mr Bisson:** Let me be more specific. It's not hypothetical. You appointed Lewis Mackenzie with regard to what happened after 9/11, and we all know that Mr Lewis Mackenzie has been quite vocal in favour of racial profiling. I'm asking you, as the parliamentary assistant to intergovernmental affairs, what steps has your government taken and what steps has your office specifically taken to be able to rein in Mr Lewis Mackenzie and his very hurtful comments to new Canadians and Canadians of various nationalities that may be here who are targeted?

**Mr Gill:** This issue is, as you know, a security issue. Mr Bob Runciman is the minister who looks after that. I know the Premier himself has been very clear that we don't approve of any kind of racial profiling.

**Mr Bisson:** So what do you mean, "It's a security issue"? Racial profiling is a policy to make us more secure, is that what you're saying?

**Mr Gill:** No, I'm not saying that. I'm saying that the security of this province falls under Minister Bob Runciman, and we can certainly direct your inquiry to him, if you wish.

1650

**Mr Bisson:** No, intergovernmental affairs deals with all these issues, and I'm directing it to you as parliamentary assistant. You get paid the bucks to sit in that seat and answer the questions, and that's what I'm asking you to do. So my question is, how do you feel, as a member of the government, having somebody like Lewis Mackenzie making comments that racial profiling is a positive thing? Do you agree or disagree with that comment?

**Mr Gill:** I've stated, Mr Bisson, the Premier has been very clear that we don't approve of any racial profiling.

**Mr Bisson:** My question is: do you agree or disagree with the comments of Lewis Mackenzie?

**Mr Gill:** I'm not aware of those comments, to be honest with you.

**Mr Bisson:** Let me refresh your memory, and I'll bring the clippings in too if you want. Mr Lewis Mackenzie was appointed by your government in regard to the events of 9/11, tragic as they are. Basically, one of the first things he said was that Ontario should adopt the policy of racial profiling when it comes to identifying "potential terrorists."

How do you feel about that? Do you think those are good comments?

**Mr Gill:** Mr Bisson, the comments that he might have made or not made—we are the government who will be forming policy based on what we feel is correct, and I've said very clearly the Premier has come out forcefully saying he does not believe in any kind of racial profiling. So the third party making any comments, we just don't need to be discussing that here, I don't think.

**Mr Bisson:** Oh, OK. Then look at what happened last week. In a scrum in answers to questions by the media, the minister responsible for safety, Mr Bob Runciman, thought that racial profiling was a good policy for security. Does that mean there's a change in policy on the part of your government, in favour?

**Mr Gill:** I'm sorry. Can you repeat that, Mr Bisson?

**Mr Bisson:** In the scrums of last week, and it's on, basically, a transcript of those scrums, Mr Runciman was asked a question with regard to racial profiling to which he responded he was in favour and saw this as a good security measure in order to identify potential terrorists. Does this mark a change in policy on the part of the government of Ontario vis-à-vis racial profiling?

**Mr Gill:** I think we're repeating ourselves. I've been very clear that the Premier has said he does not believe in racial profiling. He's been quite forceful. In fact, in some of the question periods in the last couple of days those are the concerns that have come forward.

**Mr Bisson:** Let me be very blunt and direct. I, as an Ontarian, am quite upset. If you see me somewhat upset today—this is one of the first opportunities we've had to discuss this. Members of your government and appointees of your government have been purporting that a good policy for the issue of making sure we make our borders secure and stop "terrorists from crossing the border" is to adopt a policy of racial profiling. I, as a Canadian and as an Ontarian, find that quite upsetting, and I just want to assure myself through this process that your government in fact is rebuking that position. So my question to you is a very simple one: do you basically take the position that racial profiling is something that should not be tolerated as a policy of the province of Ontario?

**Mr Gill:** I personally believe that. As well, the Premier has said very clearly that racial profiling is not something that we desire. We are not in agreement with that.

**Mr Bisson:** OK. A little while ago you said that your view is that the federal government should take responsibility for the issue of immigration. Am I correct?

**Mr Gill:** Yes.

**Mr Bisson:** I pointed out earlier that Ontario is one of the few jurisdictions that doesn't have some signed agreement with the federal government when it comes to immigration, because under the Constitution of Canada it is one of the areas where the province can request a transfer of those responsibilities to provincial jurisdiction, to an extent.

If your government takes a position that in fact we shouldn't concern ourselves with immigration policy, how do we square off the issue of the Americans now in regard to their new visa policies when it comes to



Ontarians or Canadians going into the United States? How do you purport to deal with the issue of visas?

**Mr Gill:** I know that issue came up yesterday in terms of the news as well. I think the federal minister, Mr Coderre, is certainly looking into it. I know there is some discussion, as I understand it, that perhaps they're going to, as they've moved away from the Canadian citizens with Canadian passports—worrying about where you were born. I think, similarly, there is some discussion the federal government is having—I'm not privy to the information but I just understand that's the issue. But again it's a federal issue.

**Mr Bisson:** But let me back up, because there are instances where Ontarians, or Canadian citizens, or landed immigrants, have gone over to the United States and have been basically picked out of the line as they cross into the United States and have been subject to what is a policy of racial profiling by the United States. I take it you would agree with me that's something we should not be tolerating.

**Mr Gill:** Exactly. I agree with you.

**Mr Bisson:** So my question to you is, if we as a province take a position through your government that we should not request from the federal government any kind of authority when it comes to immigration, how does your government plan to deal with trying to protect Ontario's citizens that are subject to racial profiling policies of the United States? How do we deal with that if we don't go after—

**Mr Gill:** I still, Mr Bisson, maintain that it is a federal responsibility. The Ontarians that are maybe suffering because of that, I think it is fair for us to strongly stand up to the federal government and say, "It's not the right thing." They have to go back to the US or whichever country where these types of hindrances are being put forward. Through the direct means which the federal government has with other countries, they should protest and say that this is not fair.

**Mr Bisson:** But if that protest results in nothing, what's the next step?

**Mr Gill:** Again, Mr Bisson, I know it is a federal issue and we must work with the government in that sense to say this is not fair for the Canadians—

**Mr Bisson:** Here's my difficulty. We started at the beginning of this process of this session, both of us agreeing that Ontario, and rightfully so, receives more new Canadians than any other place in Canada. We are proud of that. That's our multicultural background in Ontario and something that we, quite frankly, as Ontarians, are quite proud of. But I have great difficulty as a person in this province with a federal government that is, quite frankly, not quick off the mark in ending the discrimination that we see to our citizens crossing into the United States. So I have a bit of a problem with your answer saying, "We'll just protest, and hopefully the feds will sort of go away and do the right thing." Don't you think it would be a more positive thing for the province of Ontario to explore the issue of the province taking

over some of the responsibilities vis-à-vis immigration so we can deal with some of these issues?

**Mr Gill:** Again, protecting the borders is, I maintain, as is defence, a federal responsibility. I think it will be very difficult for us to say, "We are going to be protecting the Ontario border and these are the means and methods we are going to be using." I think we are going to have to have that separation of responsibilities. I think it is the federal government's and we must work with them to make sure if Ontarians are being harassed in any way—but it is their responsibility.

**Mr Bisson:** Let me probe you the other way. Are you aware of how much money we receive as a province from the federal government for new immigrants into the province?

**Mr Gill:** I don't know the exact amount of dollars, but I do know that it's not enough. I also know that the regions themselves—and they have been complaining to me as well, the Peel region and all—when the immigrants come in, we welcome them, but at the same time there are some of the social service type issues. They are not being funded by the federal government. So I tend to agree with you perhaps we need more money to address those social service issues.

**Mr Bisson:** That's why I said, "Let me come at it from the other way." Because Ontario has not signed an agreement with the federal government on immigration policy, we find ourselves, as the province that receives the most new immigrants in Canada—we are among the provinces getting the least amount of money from the federal government in order to be able to help new Canadians find their place within Ontario, learn English, be able to take the type of training they need in order to become full, functioning members of our society. Do you think it's right for us to be put in that position?

**Mr Gill:** Mr Bisson, I do have the number that I didn't have before. Deputy Peebles has given me that number. It is \$108.2 million in 2002-03 in terms of the settlement services.

**Mr Bisson:** How much is that? Excuse me. I was trying to find out how much money I have left.

**Mr Gill:** It's \$108.2 million. Coming back to "Is it enough?" I don't think it's enough. I know the regions are certainly complaining that they are not getting enough—

**Mr Bisson:** You'd have a lot of first-hand knowledge of this from the riding that you represent. Do you feel that there is enough money being spent for new Canadians on ESL programs, English-as-a-second-language programs?

**Mr Gill:** I'm not able to answer that because I'm not so close to the issue in terms of whether it is being funded adequately or not. I do know that in my own riding, as I said, there are ESL courses. I haven't heard any complaints on that.

**Mr Bisson:** I find that surprising, because my riding has far fewer new Canadians than yours and I get those complaints. We have a fair amount of immigration from Chile and other countries that have come in. The com-

plaint that I get from new Canadians coming into my riding is that they are not able to access dollars for English-as-a-second-language programs to the extent that they feel necessary to help not only the worker who is getting the job as they come into Canada, but the wife and some of the grown children who are still of school age.

**1700**

I come back to the point I was trying to make at the beginning, which is that Ontario has not signed an agreement with the federal government. The consequences of that are that we get the short end of the stick when it comes to federal dollars that could be used to assist new Canadians establish themselves in the province. If we are the recipients of the largest number of new Canadians, we should have a big interest in sitting down with the federal government and negotiating whatever agreement we want with them when it comes to responsibility for new Canadians. Has there been any move by the Premier's office or by the parliamentary assistant's office in order to deal with this particular issue?

**Mr Gill:** You're right, Mr Bisson. In fact we agree. There's a request for increased federal spending on immigration, including some of the issues you mentioned, be they ESL, social services issues or settlement services. So you're right: we are asking the federal government to have more money allocated; it could be to legal aid or social assistance for refugee claimants. Those things need more funding, and we are asking them to perhaps provide that.

**Mr Bisson:** Do you support the position of assimilation when it comes to new Canadians? There are two different approaches to new Canadians coming to Canada. What is the position of the provincial government? Is it a position of assimilation or integration?

**Mr Gill:** Integration.

**Mr Bisson:** OK, just to be clear.

En français—have I got 10 minutes?

**The Vice-Chair:** Yes.

**M. Bisson:** J'ai une couple de questions. Êtes-vous au courant, Monsieur l'Assistant parlementaire, du sommet qui a eu lieu juste dernièrement à Beyrouth, le Sommet de la francophonie ?

**Mr Gill:** Yes, there was a summit. I watched it on television as well.

**M. Bisson:** La question que j'ai est très simple. Pour s'assurer que vous compreniez ce que c'est que le Sommet de la francophonie, la francophonie mondiale se rencontre chaque couple d'années quelque part à travers le monde avec les chefs d'État des différents pays francophones du monde : de la France, du Canada, de l'Ontario, de la Belgique etc. C'est un peu comme la rencontre du Commonwealth. La francophonie est un peu le parallèle de la rencontre des pays du Commonwealth de la Grande-Bretagne. Pour quelle raison votre gouvernement a-t-il refusé d'envoyer un représentant de votre gouvernement à cette assemblée à Beyrouth il y a une semaine et demie ?

**Mr Gill:** Unfortunately, as I understand it, when the summit was taking place it was difficult for the minister to travel to the francophone summit. I understand he did send a representative. I believe it was one of the Liberal members who was a representative, if I am correct. He couldn't do it, but at least there were people as observers taking part in it, as I understand.

**M. Bisson:** Je comprends ce que vous dites, mais premièrement, la personne qui est censée représenter l'Ontario à ce sommet est le chef d'État. En d'autres mots, pour le Canada c'était M. Chrétien, pour le Nouveau-Brunswick c'était M. Lord, pour la France c'était le président de la France etc. Pour quelle raison le premier ministre lui-même n'a-t-il pas vu comme important d'assister à cette réunion-là ?

**Mr Gill:** I think it's a good question. We felt, because the minister was busy—

**M. Bisson:** Le premier ministre. J'ai dit, pour quelle raison le premier ministre a-t-il refusé de représenter l'Ontario lui-même, personnellement ?

**Mr Gill:** We felt that it was not a partisan issue, so we requested that one of the members from the Liberal Party, Jean-Marc Lalonde, go there and show the concerns that Ontario might have.

**M. Bisson:** Vous manquez le point. Ce n'est pas une question de partisanerie. C'est un sommet des chefs d'État. En d'autres mots, c'est le premier ministre du Canada et les premiers ministres des provinces ou le ministre désigné qui assistent à ces conférences. Ma question est, pour quelle raison le premier ministre de l'Ontario a-t-il refusé lui-même d'assister au sommet de Beyrouth ?

**Mr Gill:** I think it is inaccurate to say the Premier refused. The Premier at that time, as I understand, might have been busy, so we wanted to make sure that Ontario was represented. Once again I'd like to point out that Jean-Marc Lalonde from the Liberal Party went.

**M. Bisson:** Êtes-vous au courant, parce que cela n'a pas été un membre du gouvernement qui a assisté à ce sommet, que M. Lalonde n'avait pas le droit de parler à ce sommet ou de faire aucune représentation parce qu'il n'a pas été membre du gouvernement ?

**Mr Gill:** I think, Mr Bisson, whether it's the government or the opposition member, they are quite sensitive to and aware of the francophone issues. I'm sure he was able to bring those concerns forward.

**M. Bisson:** Non. Vous manquez le point. On va essayer d'expliquer une autre fois. Cette rencontre à Beyrouth est une rencontre des chefs d'État, et la seule manière d'être capable de faire une présentation ou de parler de la part de ta province—c'est le chef d'État lui-même ou son désigné.

Ce qui est arrivé est que votre premier ministre, pour une raison ou une autre, n'a pas voulu assister ou n'en a pas été capable—je ne sais pas lequel—et d'habitude ça a été M. Baird, le ministre responsable des Affaires francophones. Mais il lui a été refusé d'assister par le premier ministre.



Moi, tout ce que je vous demande est pour quelle raison votre gouvernement n'a pas envoyé un représentant du gouvernement à ce sommet. Comme membre de l'opposition on n'a pas de statut à ce sommet. En d'autres mots, on ne peut pas assister comme parlementaire d'un autre pays du monde parce que ce sont les chefs d'État eux-mêmes qui sont responsables de ce sommet. Puis ma question est très simple : pourquoi votre gouvernement n'a-t-il pas envoyé quelqu'un du bord du gouvernement pour représenter l'Ontario?

**Mr Gill:** You may or may not be aware that New Brunswick and Quebec are members of the francophone summit, whereas Ontario's status is only as an observer. I'm glad that we had somebody as an observer, but those other two provinces are members of that summit. So that's why they had to be there as governments.

**M. Bisson:** Cela m'emmène directement à ma prochaine question. Vous avez poigné exactement où je m'en vais avec la question : c'est pour quelle raison que la province de l'Ontario n'a pas fait de demande et pris l'occasion d'assister à Beyrouth pour être capable de faire la demande de devenir plein membre de la francophonie ? Pourquoi est-ce qu'on refuse d'être plein membre pour seulement être observateur ? Est-ce que la population franco-ontarienne ou est-ce que les dossiers franco-ontariens n'ont pas d'importance au gouvernement ?

**Mr Gill:** I think you make a good point. A cost-benefit analysis of Ontario's becoming a participating member of the Francophonie would need to be undertaken and more information obtained from the Department of Foreign Affairs regarding the process before any decision could be taken at this time. But you make a good point.

**M. Bisson:** Mais il faut reconnaître, quand ça vient à l'échange de nos produits économiques, ou à l'échange culturel, qui est un produit dans certaines grandes occasions, que cela a des bénéfices pour faire des liens avec d'autres pays francophones. Je ne comprends pas, comme Ontarien, pas seulement Franco-Ontarien, pour quelle raison la province de l'Ontario ne voudrait pas assister à quelque chose qui amène un certain statut envers la province de l'Ontario et ouvre les liens avec d'autres pays francophones pour être capables de faire de l'échange soit économique ou culturel. Je n'accepte pas votre réponse.

**Mr Gill:** I should point out that Mr Pouliot, I understand, from the NDP also attended as an observer. But let me put my little partisan hat on. When you were the government, Mr Bisson, I don't believe you became members of the Francophonie summit either. So I'm not saying it's right or wrong, but I think it's fair to look at that, saying, "Well, was it less important at that time?"

**M. Bisson:** C'était le début du Sommet de la francophonie, et comme c'était le premier, on était observateurs. C'est à ce point-là qu'on était pour devenir membre de ce sommet. Je vous demande simplement pour quelle raison on ne veut pas assister comme plein membre. Vous êtes le gouvernement aujourd'hui. Je vous demande la question très simplement.

**Mr Gill:** As I mentioned earlier, we will look at the cost-benefit analysis and, if it's so desired, then perhaps we will look at that.

**M. Bisson:** Avez-vous eu l'occasion de représenter le premier ministre à une réunion, de sa part, comme assistant parlementaire ?

**Mr Gill:** Can you repeat that, Mr Bisson?

1710

**M. Bisson:** J'ai demandé : avez-vous eu, comme assistant parlementaire, l'occasion de représenter le premier ministre à aucun sommet ou rencontre intergouvernemental pour la province de l'Ontario ?

**Mr Gill:** I have not had the opportunity yet, but I'm certainly looking forward to any and every opportunity that I will be getting.

**M. Bisson:** Quel projet avez-vous pris comme assistant parlementaire de la part du premier ministre ? Vous a-t-il donné la responsabilité de prendre un projet ?

**Mr Gill:** As you know, a parliamentary assistant is there to do each and every assignment the Premier may send our way. I'm there, able and willing.

**M. Bisson:** Ma question est très simple. L'écouteur, s'ils vous plaît. Avez-vous eu une directive du premier ministre de prendre la responsabilité d'un dossier depuis que vous êtes l'assistant parlementaire ?

**Mr Gill:** Being a parliamentary assistant, as you know, including this evening when there is a late show in the House and the Premier is busy, I'm going to be taking over the responsibility of answering a question that a member of the Liberal Party asked. So any and every duty that the Premier assigns, I'm there, ready and willing to do that.

**The Vice-Chair:** Thank you very much, Mr Bisson.

You have 30 minutes to respond, Mr Gill. You can either share that with your party on this side or not.

**Mr Gill:** Mr Chair, I do want to thank the members who took part, including yourself, in responding to the remarks I made. If I can, I'll sum up some of my responses.

As I said, I appreciate the comments from the members of this committee. I hope my response will address many of the points that have been made this afternoon.

I think it would be helpful to discuss briefly Ontario's role in the Canadian federation and how Ontarians contribute to strengthening the federation. I think it would also be useful to say something about the mechanisms that are in place to facilitate discussions among governments in Canada.

Ontario's role in Canada is defined by two facts. First, Ontario is the largest province in Canada, with more than 12 million culturally diverse people, encompassing a broad range of talents and skills. Second, Ontario is the greatest contributor to Canada's economy, accounting for 42% of Canada's gross domestic product. Without doubt, Ontario is Canada's dominant financial, communications and manufacturing centre. If I may be specific, that's the reason a lot of immigrants are attracted to Ontario, and we welcome them with open arms.

Ontarians have always felt a strong attachment to the Canadian federation. Ontario has always played the key



role of nation builder. In the 19th century, the National Policy shaped Ontario's economy and destiny. It created a powerful east-west economic backbone built on high tariffs, a national railway and settlement of the west. For over a hundred years, Ontario and other parts of the country prospered. An east-west union represented the principal approach to economic development in Canada.

But the economic reality confronting Canada and Ontario has changed. Ontario's outlook, economically, culturally and politically, has grown steadily more north-south. This has accelerated since the adoption of the Canada-US free trade agreement in 1989 and the North American free trade agreement in 1994. The major markets for Ontario's goods and services now lie south of the border. More than 90% of all our international exports are delivered to our neighbours in the United States.

Ontario has worked hard over the past several years to overcome the setbacks of the early 1990s. Our government has contributed by cutting taxes and creating jobs, well over 900,000 jobs during the past seven years. We're hopefully going to be surpassing the millionth job mark soon.

Ontario's current prosperity is reflected in the fact that, as the Minister of Finance noted in the 2002 budget, real take-home pay has risen 18.5% since we began cutting taxes. Our success has been shared with Canadians in other provinces and territories. This is evident when we compare what Ontarians pay in federal taxes to what the federal government spends in this province.

Each year Ontarians contribute about \$22 billion more in taxes and non-tax revenue to the federal government than they receive in federal program spending, combined with the amount required to service our share of the national debt. I think I must make sure we understand and that the members of the committee note that. Let me repeat that. Each year Ontario contributes \$22 billion more in taxes and non-tax revenues to the federal government than it receives in federal program spending, combined with the amount required to service our share of the national debt. In other words, on average, each Ontarian makes a net contribution to the federation of more than \$1,800 annually. This is a significant contribution, but Ontarians recognize that part of our role, as one of Canada's most affluent provinces, involves making a contribution to other regions of the country that are smaller and less prosperous.

The government of Ontario understands this obligation and is a supporter of the principle of equalization as it is outlined in section 36, subsection 2, of the Constitution Act, 1982. This subsection describes the purpose of equalization payments as ensuring "that provincial governments have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation."

This year, only Ontario and Alberta are not receiving equalization payments from the federal government. In other words, the residents of these two provinces are supporting their fellow citizens in the remainder of the provinces and territories, and we're happy to do so. As I

said, we agree with equalization. We do not, however, understand why Ontario does not receive its fair share of other federal transfers. This strikes us as being most unfair.

To illustrate, in 2002-03, Ontario will receive only \$566 per capita in cash from the CHST, while the other provinces and territories receive an average of \$642 per capita. Ontario is similarly short-changed in just about all federal transfer programs.

The equitable treatment of all Canadians, regardless of the province in which they live, is an enduring issue for Ontario in intergovernmental relations. Indeed, this issue touches on one of the most important and difficult structural features of our Canadian system of government: financing the federation. The task in this regard has always been striking the right balance.

As I suggested in my opening remarks to the committee, the constitutional division of responsibilities between our federal and provincial governments in Canada raises both special challenges and unique opportunities when combined with the federal government's spending power. By working together, Canada's federal and provincial governments have been able to build a network of important public services, like health care, that are highly valued by Canadians. Often this has involved provinces agreeing to expand or modify programs that are under provincial jurisdiction in return for a federal financial contribution to those programs.

At other times, however, by acting unilaterally, the federal government has put Canada's provincial governments under stress. One of the most important examples of this kind is the unilateral cuts the federal government made to its contribution to health care and other social programs in the 1995 federal budget.

#### 1720

Fortunately, there are several intergovernmental forums where our federal, provincial and territorial governments can work together, listen to one another and try to develop solutions to the problems that we face. I would like to talk about some of these forums and the important role they play in Canadian intergovernmental relations and in strengthening the federation.

Intergovernmental meetings are forums for working through key issues and are part of the glue that helps to keep the federation together. Over the years, it has been found useful to hold regular meetings among governments to deal with a variety of issues. As you know, first ministers' meetings are called periodically by the Prime Minister, and Premiers' conferences are held on a regular, annual basis. There are also meetings of ministers and officials in each of the policy sectors. These meetings are, first and foremost, practical, problem-solving mechanisms that contribute to building a political consensus across Canada. Their value should not be underestimated.

The Ministry of Intergovernmental Affairs plays a lead role in supporting first ministers' meetings and the annual Premiers' conferences. MIA also helps to support a number of key sectoral meetings. These meetings of finance ministers, health ministers or energy ministers, to

name just a few, lay much of the groundwork for first ministers' meetings and the annual Premiers' conferences.

A first ministers' meeting, or FMM as I shall refer to it, is often seen as a centre point of intergovernmental relations in Canada. Ideally, it provides an opportunity for the Prime Minister and the Premiers to resolve fundamental differences and set a policy direction for the country.

Much the same approach is pursued at the annual Premiers' conference, or APC. Premiers use these occasions to discuss issues that are inter-provincial in nature or reflect the current state of federal-provincial relations. Some observers portray the APC as an annual event that pits the provinces against the federal government. The Premiers, however, consider the APC an opportunity to address issues of mutual concern, even though these concerns may centre on the federal-provincial interface.

Aside from the participants, an FMM and the APC may appear similar. They certainly often share similar objectives. However, there are several significant differences which distinguish the meetings from each other. As I mentioned earlier, the APC is a regular, annual event. The FMM is not; it is called at the discretion of the Prime Minister. The last APC took place in August, 2002, and the next one is scheduled for July, 2003. On the other hand, the last FMM was held in September, 2000, and the next one is anticipated to take place almost two and a half years later, in January or February, 2003.

The APC is usually spread over two or three days and addresses several issues that are considered priorities by all or a majority of the provinces. At the 2002 APC, agenda items included health care reform and funding; the fiscal imbalance; trade; energy; and issues surrounding future federal-provincial-territorial consultation. By contrast, an FMM is often restricted to one day and a single agenda item. The focus of the September 2000 FMM was health care funding. It is anticipated that a discussion about health care funding will also dominate the FMM anticipated for early next year, even though several Premiers have requested that the Prime Minister add the Kyoto Protocol and climate change to the agenda.

Because of its regular schedule and structure, the APC has become somewhat of an institution. It is planned well in advance, often assigns and receives reports from other provincial councils and committees, and is chaired by the Premier of the host province, who also serves as the head of the Premiers' Council until the next APC. By contrast, an FMM is usually called on short notice and lacks a regular structure and operating procedures.

Now let me provide some background and context. It will be remembered that in the late 1980s and early 1990s, one of the priority issues was constitutional reform. This was often the focus of FMMs and APCs during that period. Since then, there has been a significant change in the nature and focus of these meetings. There have been far fewer FMMs during the last decade, and their purpose has changed. By default, the APC has become the key institution for setting intergovernmental priorities.

At their annual conferences Premiers have focused on taking practical steps to address intergovernmental issues. The APC has provided a forum for Premiers to develop consensus positions which are then difficult for Ottawa to ignore.

A good example is health care. Starting with the 1998 APC, Premiers and territorial leaders emphasized that the federal government must restore the funding for health care and other social programs that it cut in the 1994-1995 fiscal year. Premiers also agreed that funding, once restored, must be stable and adequate. They repeated their call at the 1999 APC. Additional important work was conducted at the sectoral level by ministers and officials.

This intergovernmental process culminated in the 2000 FMM at which the federal government agreed to commit almost \$23 billion more to the provinces for health care and other social programs. Provincial and territorial leaders considered this a good first step in addressing the funding cuts that the federal government made in 1995. At the same time, they made it clear that this was by no means a final resolution of the problem and they reiterated their position at subsequent meetings.

Under this continued pressure, the federal government set up the Romanow commission to consider the future of health care, and the Prime Minister has agreed to hold another FMM early in 2003, after the commission has reported. He has indicated that the federal government will provide additional funding for health care at that time. It remains to be seen if the promised new funding will be sufficient to ensure the sustainability of the health care system.

In conclusion, Mr. Chair and members of the committee, I want to reiterate that Ontario is committed to working with the federal government and the other provinces and territories to resolve issues of importance to the people of Ontario, to improve the delivery of programs and services to Canadians, and to strengthen the Canadian federation. Thank you for allowing me the time.

**Mr John O'Toole (Durham):** I just have one comment that I would like to make, if possible.

*Interjection.*

**Mr O'Toole:** Have we got time? If I can just put one thing on the record, with your indulgence; I won't ask any questions. Intergovernmental relationships involve both parties sitting down to wait, and I'm disappointed in the call on all the Premiers of this country. Here's what the Prime Minister said. He told reporters that Premiers can talk and have all the meetings they want, but Canada is voting on ratification. That's absolutely rude. That's his position: ignore the people and the elected representative from each province. And this is supposed to be intergovernmental relations? Someone has to be listening there. I'm just so upset with that.

**Mr Gill:** More needs to be done.

**Mr Chudleigh:** Are we doing questions?

**The Vice-Chair:** You can do anything you want now. You can have comments—



**Mr Chudleigh:** Mr Gill, are you taking questions now?

**Mr Gill:** I will certainly try to entertain them.

**Mr Chudleigh:** Since you were talking about inter-provincial meetings and the meetings of the first ministers, I was interested in whether or not you think that these meetings have value, and perhaps Mr Peebles would comment on this as well. If my history is right, I think the first meeting took place in 1949 with the ministers of agriculture. The synthesis of that meeting was when Reg Harris, who was the Deputy Minister of Agriculture for the province of New Brunswick, travelled across the country in 1947 looking at agricultural practices. After the war there had been some innovations. He travelled through each province and ended up coming back from the west, stopping at the Royal Winter Fair in Toronto and meeting the then Minister of Agriculture for Ontario at that time.

**Mr Peters:** That happened to be your grandfather.

**Mr Chudleigh:** It might have been. He related at great length what he had seen as he went across this country and saw the different agricultural practices from one sea to the other. It was such an interesting story that they convened the first ministers of agriculture meeting the next year, in 1948 I think, at the time of the Royal Winter Fair. All the ministers, who would travel train in those days, came in and that was the first cross-Canada ministers' conference. It then spread to other ministries and eventually the Premiers.

I'd be interested if Mr Peebles has any information on whether that's an accurate story and could perhaps make some comment as to the value of the Premiers' conferences and ministers' conferences throughout Canada.

1730

**Mr Peters:** Make sure we put the Minister of Agriculture and the former Premier's name on the record, though, Mr Chudleigh.

**Mr Chudleigh:** That was Tom Kennedy, I think, the minister.

**Mr Gill:** Mr Chudleigh, you make a very important point. These meetings go back to even before I was born. Actually, you're going to back to 1947. I'm glad these things were happening even then.

I was certainly very happy to attend a meeting in Winnipeg on behalf of the Minister of Labour, who could not be there for the Ministers of Labour conference. I believe it was February 3, 2000. February in Winnipeg—I can quite understand why the minister wasn't there. But I was very happy to represent the province of Ontario, which is the biggest province in terms of activity in the labour component, if you want to call it that.

But I agree with you that it is very important to have dialogue. As I said in my closing remarks, the Premiers' conference and the inequality that we highlighted in health care funding brought forward a small amount of extra funding. I believe it was \$24 billion. More needs to be done. I quite agree that we must continue this kind of dialogue.

The national accounts committee, if you want to call it that, met in Newfoundland, and Mr O'Toole was also there with us. I believe in that kind of dialogue.

**Mr Chudleigh:** Mr Peebles, how long have these ministers' conferences been going on, since 1948? Is that about the time they started?

**Mr Peebles:** Yes, it would be quite possible that sectoral ministers' meetings happened post-war. The first meeting of Premiers was 1959, and they've happened every year on a regular basis since that time.

**Mr Chudleigh:** That would be Les Frost who started that?

**Mr Peebles:** Yes. I guess he would have been Premier.

**Mr Chudleigh:** Reg Harris, the former Deputy Minister of Agriculture in New Brunswick, does hang in the agricultural hall of fame at the Royal Winter Fair. His portrait is there.

**The Vice-Chair:** Mr Mazzilli.

**Mr Mazzilli:** The history of how these meetings got started is very important, but when I look at my constituents, they look at results from these meetings. I know in our area, health care—Mr Peters hears about this all the time. Our hospital administrators or boards, the doctors, the patients, everyone has figured out that the province of Ontario is funding health care to the extent it can. Almost 50% of all program spending goes there.

Ontarians want to be part of a strong federation called Canada, but they're also very frustrated. I know you took a lot of questions as to cross-border issues. There are very few areas that the federal government is responsible for—immigration, protecting our borders, the army—and they don't seem to do a decent job at any of those. They certainly don't do a decent job of funding the proper social programs.

Again, I know people in our riding are getting frustrated. They do a good job of applying the GST on everything arbitrarily, whether there are any arguments for or against it. When you look at hydro bills, the previous debt—can you imagine all of a sudden arbitrarily saying, "We're going to pick people's pockets. It doesn't matter how hard the situation is. It doesn't matter what the expense is. We're going to add the GST, and we don't care what anybody says?"

I guess that's the frustration when you look at intergovernmental affairs. It must be a hellish nightmare, I'll call it, for the people who work in that department when you look at the treatment of Ontario. You've laid out what this federation called Canada takes from the people of Ontario. People certainly don't mind paying that, but they also want the services delivered, not only from the provincial government but also from the federal government they pay taxes to.

I find the federal government plays politics extremely well. Mr Peters was at a meeting on affordable housing in the riding, and I was at a meeting with the school board. The federal politicians wasted no time lambasting the province for their share. Do they ever tell the truth? When you look at Canada Mortgage and Housing Corp, the 2% more you pay on your mortgage is supposed to be



a way of guaranteeing mortgages. The federal government soaks \$400 million or \$500 million a year out of people. When you look at \$400 million or \$500 million, when a third of the population is in Ontario, \$200 million comes out of Ontario. That's the federal share. They come back to Ontario and say, "We put \$50 million on the table. Where's your money?" So not only do we pay taxes, we support the employment insurance fund, which again is Ontario workers. We support the Canada Mortgage and Housing Corp, which is supposed to be a self-sufficient way of insuring mortgages and it's become way beyond that.

I guess my question to you, sir, or the deputy: how do you do it every day, wake up and go to work? How do you put up with these people?

**Mr Gill:** Mr Mazzilli, you make a tremendous point. There is a great imbalance in what the federal government takes in and what they spend in Ontario. You certainly hit the nail on the head with the EI taxation. A lot of small businesses are quite concerned that the government is taking in much more than they need to and then they come back to us as taxpayers and say, "Here's the surplus." They should realize the surplus should be spent on health care and other issues.

In terms of intergovernmental affairs, we stress upon the federal government to pony up; if not 50%, then at least let's go back to 18% and then slowly keep chipping away at it. It has to be done.

Health care, as we know, is very important. That's why the Prime Minister, in trying to maybe delay the transfers, said, "You know what? Let's have another study." I'm glad it's about concluded now. Hopefully the report will come out soon. Mr Roy Romanow went across the country. Now the Prime Minister is saying, "After the report comes out, after we perhaps have a first ministers' meeting, then maybe some money will come through." But you know what? We've got to keep working. You are so right, and I thank you for bringing those issues forward.

**Mr O'Toole:** I've been somewhat disappointed—and at the risk of embarrassing Mr Miller, I know he probably feels the same sense of nationhood when his father served as Premier of this great province. I know he participated to try and make the nation of Canada stronger. It's like a family to the extent that there are even in my own family—it's unusual, but there were nine brothers and sisters. Some have done well. I haven't done so well, but some have. At the end of the day, they share—

**Mr Gill:** Because you got into politics.

**Mr O'Toole:** —the responsibility of being complete as a family and staying united as a family, and I think Canada—not to say we didn't have delinquent brothers and sisters. If I may say—I wouldn't say Quebec was delinquent, but different; let's put it that way, and rightly so. But we're still a member of the family, which is the right thing.

Ontario is a central part, without making this continually an economic argument. In this province we often try to make the point that, as Ontario goes, so does the

country go. I put to you this: as Toronto goes, so does Ontario go. So at the risk of the odd time criticizing Toronto—

**The Vice-Chair:** You've got two minutes, Mr O'Toole.

**Mr O'Toole:** Two minutes should pretty well give me enough time.

I just really feel, though, that these things need to be put on the record. This side of the House, as far as I'm concerned, has a great history of nationhood. I'm pleased to be led by not just Raminder Gill but our Premier, who's on the right track of trying to have a more reasoned dialogue with the federal government, however unreasonable they tend to be, from what Mr Mazzilli has said. I think a lot of what he said is very true and needs to be put on the record.

I'm going to go back and conclude my remarks by making sure I get this on the record. I know I was intervened earlier.

What I'm quoting is a Globe and Mail article from this morning, November 5, with respect to the Kyoto talks. All the first ministers, all of them without exception, believe it's an important national policy issue for a lot of different reasons—regionally and economically. The leader of this country, the father of this family, says with such indignity—I can't believe it, this indifference, and part of that is our fault because the right side of the agenda can't get it together. "Mr Chrétien told a Newfoundland audience last night that the Canadian plan to cut greenhouse gases under Kyoto targets 'will be adjusted, if necessary, as we learn and work together over the years ahead.'" False promise and platitudes—that's my insertion.

Another quote: "He told reporters the Premiers 'can have all the meetings they want,' but Canada is voting on ratification before the end of 2002." That's an ultimatum. That's an insult. That's dictatorial. That's arrogant. That's rude. Is that enough adjectives? Anyway, I just think it's indifferent to the very tone, the conciliatory tone, that we've been talking about today. It just makes me ill. I put it back to the civil service, who do work hard to try to build professional relationships, whether it's on finance or health or trading relationships.

**The Vice-Chair:** Well, you won't have time for any response. Your time is up.

**Mr O'Toole:** Well, Raminder gave an excellent speech. I want a copy of it, and that's the only response I need.

**The Vice-Chair:** Thank you very much. We are going to have a bell very soon. It's now the official opposition. It goes in rotation of 20 minutes thereafter, but in about five minutes from now the bell is going to ring.

**Mr Peters:** I'm flexible if the committee wants to adjourn. Then we can start with a complete round tomorrow. That's fine with me.

**Interjection:** Sure.

**The Vice-Chair:** I hear a consensus about adjournment until tomorrow at 3:30. We stand adjourned.

*The committee adjourned at 1742.*

## CONTENTS

Tuesday 5 November 2002

<b>Ministry of Intergovernmental Affairs</b> .....	E-293
Mr Raminder Gill, parliamentary assistant to the Premier and Minister of Intergovernmental Affairs	
Mr Ross Peebles, Deputy Minister	

### STANDING COMMITTEE ON ESTIMATES

#### **Chair / Président**

Mr Gerard Kennedy (Parkdale-High Park L)

#### **Vice-Chair / Vice-Président**

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gilles Bisson (Timmins-James Bay / Timmins-Baie James ND)

Mr Ted Chudleigh (Halton PC)

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gerard Kennedy (Parkdale-High Park L)

Mr Frank Mazzilli (London-Fanshawe PC)

Mr Norm Miller (Parry Sound-Muskoka PC)

Mr John O'Toole (Durham PC)

Mr Steve Peters (Elgin-Middlesex-London L)

#### **Clerk Pro Tem / Greffière par intérim**

Ms Susan Sourial

#### **Staff / Personnel**

Ms Anne Marzalik, research officer,  
Research and Information Services

CA20N  
XC26  
-E77



E-15

E-15

ISSN 1181-6465

## Legislative Assembly of Ontario

Third Session, 37<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Troisième session, 37<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 6 November 2002

# Journal des débats (Hansard)

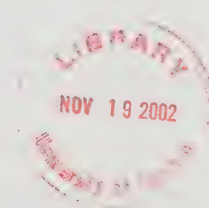
Mercredi 6 novembre 2002

**Standing committee on  
estimates**

Ministry of  
Intergovernmental Affairs

**Comité permanent des  
budgets des dépenses**

Ministère des Affaires  
intergouvernementales



Chair: Gerard Kennedy  
Clerk: Trevor Day

Président : Gerard Kennedy  
Greffier : Trevor Day



### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Copies of Hansard**

Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

### **Exemplaires du Journal**

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.



## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Wednesday 6 November 2002

Mercredi 6 novembre 2002

*The committee met at 1536 in room 151.*MINISTRY OF  
INTERGOVERNMENTAL AFFAIRS

**The Chair (Mr Gerard Kennedy):** I'll call the meeting to order. I believe we have 20 minutes left in the rotation for the official opposition.

**Mr Steve Peters (Elgin-Middlesex-London):** It's nice to have you back again, Mr Dunlop. I hope you enjoyed your freedom yesterday and took advantage of that and were able to accomplish a number of things.

Hydro seems to be the dominant issue in the Legislature right now. I think every member, and certainly our constituency offices are hearing about it. I was pleased to see your comments in the *Orillia Packet and Times* of your own concern over hydro. I know Mr Mazzilli has expressed his concern as well. I think it's important that the government members speak up and express the views of their constituents. I saw Mr Arnott and Mr O'Toole presenting petitions as well, today. I think that's important.

One of the real craws in everybody's back over this number of issues with hydro seems to be the issue of the GST and whether it's a good or whether it's a service. The feds blame the province and the province blames the feds over the implementation and the charge of the GST on hydro bills. Seeing that this is the Ministry of Intergovernmental Affairs and this is an issue that I think is of extreme importance to Ontarians right now, could you tell me what steps or actions the Ministry of Intergovernmental Affairs is taking to address the issue of the GST going charged on the debt, what the progress is of those discussions and when we may be hearing some sort of an answer and explanation as to why we're paying GST on a debt which we can't determine is a good or a service? What is the Ministry of Intergovernmental Affairs doing at this time to deal with this Issue?

**Mr Garfield Dunlop (Simcoe North):** Thank you very much for the question. I think the GST on the debt retirement charge is certainly something that we're all very concerned about. At the present time, we in the Ministry of Intergovernmental Affairs, that file, the whole concept of the GST, of course, has been turned over to Minister Ecker. I know her staff at the Ministry of Finance is, in my understanding, working with their counterparts in the federal ministry and I think they're

trying to find some kind of resolution to that. The short answer is we are not involved at this time; it's a Ministry of Finance project at the current time. I'm looking with interest to see what kind of a resolution they can find. I think a debt is a debt and I don't pay a GST when I go and pay my Visa bill off, or if I have a mortgage or a car payment I don't pay GST on a loan, so I think it's unfair myself, and I hope Minister Ecker can find a good resolution to that.

**Mr Peters:** Maybe you could educate me a bit about the process. If finance is handling this, then at what point does it become a Ministry of Intergovernmental Affairs issue? If we're delegating that responsibility for the negotiations to the Minister of Finance, why then do we need a Ministry of Intergovernmental Affairs? Why would this ministry not be taking the lead in entering into those discussions with the federal government and pressing the case for Ontario? Could you explain to me why your ministry isn't dealing with this and why finance is? At some point, if finance hits a roadblock, will they then come to your ministry and say, "We want you to pick up the ball"?

**Mr Dunlop:** The whole concept of the GST and negotiations on different taxes is part and parcel of literally thousands of issues involving the Ministry of Finance and the federal Ministry of Finance. It's far beyond the scope of the Minister of Intergovernmental Affairs to deal with an issue of this magnitude. If it included different provinces and they all had the same issue, something like what we see with health care, gasoline taxes or whatever it may be, then that would be an issue for the Ministry of Intergovernmental Affairs at that point. It's certainly beyond the scope at this time. I'm going to ask the deputy if he could add anything to your concern.

**Mr Ross Peebles:** I think that assessment is correct. There are about 400 agreements between Ontario and the federal government. What we attempt to do is track the issues that are interministerial in scope. So when there's an opportunity to establish a relationship between one issue and another issue, or where there's an issue of consistency of approach, that's where we play a role. But when it comes to finance matters, those are more or less part and parcel of the responsibilities that Ontario's Ministry of Finance carries with the federal Department of Finance. There are a whole bunch of ongoing discussions between those two bodies. There are federal-

provincial meetings of finance ministers where the more important issues from the officials' interchanges are referred. We don't really attempt to track all of those.

**Mr Peters:** I read the ministry's overview statement, and the ministry's core business is that "The ministry's role is to provide advice and analysis on" an "effective way of managing ... diverse issues in order to achieve Ontario's intergovernmental objectives." Could you please tell me what advice the Ministry of Intergovernmental Affairs is providing to the Ministry of Finance in dealing with this issue of having this ludicrous GST paid on the debt? What advice are you providing to the minister to deal with this issue?

**Mr Dunlop:** Very simply, as I said earlier, it's beyond the scope of this ministry. But certainly there's no question about it, our Minister of Intergovernmental Affairs, who of course is the Premier, will be in constant discussions with our Minister of Finance on this issue. It's not something that is dealt with in Mr Peebles's ministry on a day-to-day basis. As he said earlier, it's one of maybe 400 separate types of agreements that we have with the federal government. When you think of the size of the Ministry of Finance handling, I believe it's \$68 billion a year, as opposed to a \$4-million budget, that is dealing with something that is much more broad, such as dealing with our counterparts in other jurisdictions across the country.

**Mr Peters:** Seeing the gravity of the situation with hydro and the uproar and the pain that we're hearing from across this province right now, I would hope this issue of the GST is a top priority. The feds are raking in millions of dollars off the backs of Ontario citizens right now. I recognize that you're dealing with a wide number of issues, but I would hope that this is a priority and that when we return you might be able—my question, I guess, is, what is the status of the discussions between the federal and provincial governments at this time? I recognize that it's a finance issue, but it is an intergovernmental affairs issue, and I'm hoping that maybe at the next meeting you could provide us with the status of the discussions that are taking place so the GST is removed from our hydro bills.

**Mr Frank Mazzilli (London-Fanshawe):** We can probably start a petition on that, too.

**Mr Peters:** I'm sure you will. Let's—

**Mr Mazzilli:** The federal Liberals—

**The Chair:** Mr Mazzilli, it's Mr Peters's time.

**Mr Dunlop:** The fact that we're not involved with it at the Ministry of Intergovernmental Affairs certainly doesn't make it any less of a problem. Of course, the Ministry of Finance is very, very concerned about this, and I will endeavour to get a status update from the Ministry of Finance on that for you.

**Mr Peters:** Thank you. In yesterday's presentation, on page 16, Mr Gill talked about a number of initiatives that are taking place regarding the Premiers and the health care system and, in particular, from a January 2002 meeting, I'm very interested in one comment that Mr Gill made yesterday. In London, we've witnessed the London

Health Sciences Centre board, as a result of funding constraints, cancel a number of programs, including the pediatric cardiac surgery program. We saw Dr Wilbert Keon undertake a review of pediatric cardiac surgery in the province, and he has made a number of recommendations. The one I think is most concerning is the centralization of pediatric cardiac surgery services at Sick Kids hospital. I'm concerned that Sick Kids continues to build an empire at the expense of other hospitals, and we need to recognize that we need to provide these services close to home.

On page 16, it talks about sites of excellence being designed to allow provinces to share specialized services, and one of the areas that has been identified is pediatric cardiac surgery. So we've had Dr Keon talk about Ontario. Could you please tell me what the Ministry of Intergovernmental Affairs is doing as far as what has been identified here in this report? What is the ministry doing in this regard?

**Mr Dunlop:** This is simply an issue or a concern of the Ministry of Health. This is Tony Clement's department we're dealing with here. I mean, all the questions go to Tony on this. It's something like your previous question with the GST; it's certainly beyond the scope of this ministry to get into the exact details of each program of the many thousands of programs that are run by the Ministry of Health. Again, it's a \$25.5-billion-a-year ministry and we're dealing with literally thousands of issues and concerns and programs.

**Mr Peters:** This was identified in the estimates statement yesterday as an issue that is of an intergovernmental nature. My question is that I would like to know, what are the provinces and the feds talking about when it comes to pediatric cardiac surgery? I'm concerned. Is the province talking about looking at consolidating these services in another province? I think the parents of children need to know. It's not like I'm pulling this out of the air from someplace. Mr Gill read this into the record yesterday, and I would like to know what the status is of the discussions between the province and the federal government when it comes to pediatric cardiac surgery. Quite honestly, if you can't provide me with an answer right now, you can bring me the status back. But it troubles me that you attempt to put the issue into the portfolio of the Ministry of Health. But this was identified in this ministry's statement yesterday. So could you please provide me with an update as to what is going on with pediatric cardiac surgery in the province of Ontario and how it relates to medical care across the country?

**Mr Dunlop:** Thank you very much. I—

**Mr Peters:** It's page 16.

**Mr Dunlop:** Yes, I have the page.

1550

As I said earlier, I believe very strongly that it's a Ministry of Health concern. We talk about the Canada health and social transfer. I think you're aware of the types of programs that are covered. Those are discussions; there's no question about it. Those types of dis-



cussions concerning the funding from the federal government do take place between the Minister of Inter-governmental Affairs, the Minister of Health and of course the Premier's office.

The exact details of each program and how they will fit into pediatric concerns across our country is something I can't answer today. I think I can assure you that we're not consolidating pediatric services in another province.

**Mr Peters:** But I want those assurances. This is my concern. We've seen the turmoil parents have been through in southwestern Ontario. We've seen what has happened in eastern Ontario with CHEO. For the parliamentary assistant to the Premier to come in and make a statement yesterday, talk about pediatric cardiac surgery—and we know how close an issue it is to people across this province—why make the statement? Were you hoping we wouldn't pick up on something like this? All I'm asking is if you could please provide me with what the status is of the discussions that are taking place between the Ministers of Health and the first ministers of this province so I can have assurances that we're not moving these services out of Ontario.

**Mr Dunlop:** If I can, I'm going to ask the deputy minister to respond a little more to your question. I think he may have a little more analysis or detail.

**Mr Peebles:** The reason we mentioned this was because at the last two meetings of Premiers, as we said, health care reform and health care funding were two of the principal issues the Premiers discussed. They tried to work together to do things for the health care system through co-operative initiatives among provinces that would be in the nature of making the system more efficient and effective, without necessarily just asking the federal government for more money, which they have done as well, but this was in the nature of, "What can we do to make the system work better?"

Among other things, the communiqué that came out of the Vancouver meeting had this reference in it, and perhaps I could just read it so you'll get the context:

"Premiers recognize that some types of surgery and other medical procedures are performed infrequently and that the necessary expertise cannot be developed and maintained in each province and territory. Building on the experience in Canada's three territories and Atlantic Canada, Premiers agreed to share human resources and equipment by developing sites of excellence in various fields, such as pediatric cardiac surgery and gamma knife neurosurgery. This will lead to better care for patients and more efficient use of health care dollars. Premiers directed their health ministers to develop an action plan for implementation of such sites before their August meeting in Halifax."

That obviously had a whole lot more relevance for the smaller provinces. Particularly, this was an initiative that had come out of Saskatchewan, Manitoba, Alberta and BC to some extent. The Atlantic Premiers had already agreed to rationalize some services.

I think Premier Harris at the time had said that to the extent that Ontario was a big jurisdiction, we already

took in people from other parts of Canada who needed very specialized treatment that would perhaps be available in Toronto and maybe a few other centres that you wouldn't expect to have it available in, say, Winnipeg or Regina, that sort of thing. So that's the context in which the statement was made.

**Mr Peters:** We're seeing the centralization of this program. I'm concerned about the ability of Sick Kids, that Sick Kids is working at full capacity right now. Having heard the word "Halifax," I would appreciate it if you could provide me with this answer. I would like to know if the Ministry of Health has entered into discussions with the first ministers or health ministers in the Atlantic provinces, and is Ontario looking at taking over the program that is currently being offered in Halifax and moving that program to Ontario? It's something I've heard, and I'm asking if you could check with the Ministry of Health and confirm or deny that Ontario is looking at taking over the pediatric cardiac surgery program, moving it from Halifax and placing it here in Ontario at Sick Kids.

**Mr Dunlop:** We can certainly try to find that out. I can't guarantee I can get that exact answer—it's news to me—but we'll do what we can to get that information for you.

**Mr Peters:** I would very much appreciate it.

**Mr Alvin Curling (Scarborough-Rouge River):** I'm so glad that I get two minutes here to ask you this. It's good to see you back.

Racial profiling: has the Premier himself taken any initiative on this? This has some jurisdictional stuff like the city, it has other countries and all that. What is the status and what is the position of your ministry in this regard?

**Mr Dunlop:** I think we went over this before and I said very clearly that any consultation that was taking place on this particular issue has been done with the Minister of Public Safety and Security. He has made a number of statements in the House and he is looking forward to input and dialogue from anyone who can provide him with any information. Certainly at this time it's an issue.

**Mr Curling:** We heard that, Mr Dunlop, but what we've heard is that they were waiting for Justice Dubin and then they were waiting for Lincoln Alexander. Justice Dubin has just resigned. He has stepped down, so that's gone. The Honourable Lincoln Alexander has not yet defined his stuff. Then the Premier is saying, "I'm waiting and waiting." I want to know if his position is just to wait until somebody else does something. Is that very clear? Am I very clear about that? Am I right? Is that what his position is?

**Mr Dunlop:** No, I think the Premier is having the Minister of Public Safety and Security take the lead on this issue, and he will report to the Premier.

**The Chair:** We can return to that in the next round. It now goes to Mr Bisson with the third party.

**M. Gilles Bisson (Timmins-Baie James) :** Laissez-moi premièrement aller à travers le document pour une

couple de minutes. Voulez-vous aller à la page 9 de votre document ?

**Mr Dunlop:** Excuse me. Is it on number two?

**M. Bisson :** Je n'ai aucune idée. Moi, je te demande la page 9.

**Mr Dunlop:** I'm sorry, Mr Chairman. You turn this to nine?

**Interjection:** Two.

**M. Bisson :** Je n'ai aucun problème avec les petits boutons. C'est pas mal facile. Tu parles, ça sort, ça rentre, tu écoutes.

OK, à la page 9 : en-dessous de « Services », vous avez 757 700 \$. Pouvez-vous expliquer exactement ce que c'est ?

**Mr Dunlop:** Mr Chairman, mine is not working. I'm sorry.

**The Chair:** Setting one.

**Mr Bisson:** OK. While they're getting you another one—

**Le Président:** Pardon, M. Bisson. Une minute. D'accord—is it OK for you? Mr Dunlop, are you hearing now?

**Mr Dunlop:** I can't hear anything right now.

**The Chair:** Can I ask one of the staff to please assist Mr Dunlop to ensure that he gets the translation device? This won't come from your time, Mr Bisson. It will just take a moment.

**M. Bisson:** C'est correct.

**The Chair:** OK.

**M. Bisson:** OK. Regardez à la page 9 de votre livret et vous allez voir qu'en-dessous de la ligne « Services » vous avez 757 700 \$. Pourriez-vous expliquer exactement sur quoi cet argent-là est dépensé ? Est-ce que ce sont des contrats ou quoi ?

**Mr Dunlop:** Mr Chairman, I've got it working perfectly now but I missed the first half of the question.

**M. Bisson:** OK, on va recommencer.

**Mr Dunlop:** Thank you very much.

**M. Bisson:** Pas de problème.

OK, à la page 9 vous avez une section pour « Services », 757 700 \$. Ma question est, sur quoi dépensez-vous cet argent ? C'est pour quoi, cet argent-là ? Expliquez où vous allez dépenser cet argent. C'est pour quoi ?

**Mr Dunlop:** I do apologize for—the translation here. The \$757,000 : I'm going to ask Mr Peebles to respond to that. It's his ministry. It's on page 9.

1600

**M. Bisson:** J'aimerais que l'assistant parlementaire lui-même réponde, s'il vous plaît. Can you answer yourself, Mr Dunlop? Just talk to him, find out what the answer is and get back to me. I'd rather deal with you directly. This is disconcerting. Can you just ask him what it is and give me my answer?

**Mr Dunlop:** Mr Bisson, I was just talking to the deputy. It's primarily for office leases and computers.

**M. Bisson:** OK, le loyer. Vous avez besoin de payer un loyer à travers votre budget ? Vous êtes un building commercial ? Peut-être que j'ai besoin de demander cette

question à—c'est M. Peebles ? Je n'ai pas pris le nom. Excusez-moi.

*Interjection.*

**Mr Bisson:** Yes, Peebles? I think it's written somewhere.

**Interjection:** Yes.

**M. Bisson:** Vous avez des locations ? C'est une location, vos bureaux ? Est-ce que ce sont des locations avec un building privé quelque part ? Pour quelle raison n'essaie-t-on pas de mettre le ministère à l'intérieur d'un des buildings du ministère lui-même pour sauver cet argent ? Y a-t-il une raison ? Je ne suis que curieux.

**Mr Peebles:** Yes. Everybody pays rent, whether you're in an office building owned by the government or by a private landlord. That's just the way Management Board has the accounts set up.

**M. Bisson:** Je comprends le processus: qu'il y a un transfert entre les ministères. Mais vous-autres, vous êtes un building privé ? C'est ça, ma question. You're in a private building, right?

**Mr Peebles:** No, we're in the Macdonald Block.

**Mr Bisson:** OK. I thought he was saying you were in a private building. I was asking, why are you in a private building when you can be in a government building? It would make more sense.

**Mr Peebles:** Yes. We are in a government building.

**Mr Bisson:** OK. That explains that.

Retournez à la page numéro 8 en-dessous de « Special Warrants ». Pourriez-vous expliquer en un peu plus de détail ? C'est quoi, ça ? Je ne comprends pas exactement.

**Mr Peebles:** Special warrants are amounts that are established by the Lieutenant Governor in Council when the Legislature is not in session to keep the government running, when there's not the ability to get—

**M. Bisson:** Je comprends cette partie. Est-ce que c'est parce que, dans vos estimés de l'année passée, vous avez sous-estimé l'argent dont vous avez eu besoin et que vous avez fallu faire une demande pour l'argent pour continuer l'année ?

**Mr Peebles:** You're looking at the—

**M. Bisson:** Page 8.

**Mr Peebles:** There's \$2.2 million in special warrants. Is that the line you're looking at?

**Mr Bisson:** Yes.

**Mr Peebles:** We got that money through the process of special warrants. That's backed out of the amount that is then voted—

**Mr Bisson:** I understand that it doesn't make a change overall. What I'm asking is, isn't a special warrant normally done in a case where there hasn't been enough money voted in the original estimate, so you have to get a special warrant to get the dollars to flow to the ministry to keep it operating during the year? Is it because the original money was not requested in the original estimates? I'm unsure of what happens there.

**Mr Peebles:** I think I'd better get the chief administrative officer to explain.



**Mr Bisson:** Could somebody just explain that so that I and other members of the committee can better understand?

Can you say who you are, please?

**Mr Kevin Owens:** Kevin Owens.

**Mr Bisson:** Could you just explain the process a little more clearly?

**Mr Owens:** We required the special warrant because we didn't have the spending authority. The printed estimates hadn't been passed in the Legislature yet, so we had to get spending authority to keep operating.

**Mr Bisson:** But the part I don't understand is, was it because there was not enough money asked for in the original estimates of last year?

**Mr Owens:** No. All ministries got a special warrant this year.

**Mr Dunlop:** Even the Premier's office had a line for a special warrant.

**Mr Bisson:** So in the original estimate there was the \$5 million or whatever your ministry gets—\$4.2 million or \$4.7 million. What you're basically saying is that it's just the mechanism to flow the dollars once we're not here.

**Le Président:** —sur le ministère est choisi par ce comité. Ce n'est pas approuvé dans la législature avant la troisième semaine de novembre.

**M. Bisson:** Ah, c'est vrai.

**Le Président:** D'accord? C'est pour tous les ministères qu'il est nécessaire d'avoir une provision spéciale.

**M. Bisson:** Ah, c'est vrai. Ça me l'explique. Je le regardais puis je ne me rappelais pas pourquoi le mécanisme marchait de cette manière-là. OK. Là, ça explique ma question. Si on revient à la page numéro 6, en-dessous du bureau du ministre, le staffing, vous avez un total de 41 personnes en 2001, 38 cette année; vous avez 25 qui sont dans le ministère. J'imagine que les 25 que vous avez là—c'est dans mon livre Strategic Inter-governmental Advice. Je l'ai seulement en anglais. Je ne sais pas pourquoi, mais je sais que vous me l'avez donné. Si vous êtes capable de me donner une copie en français, ce serait un peu plus facile.

Vous avez sept personnes qui travaillent au bureau du ministre et vous avez cinq personnes au bureau du député ministre. A-t-il toujours été ce même nombre, qu'il y a plus de staff dans le bureau du ministre, un staff politique, que dans l'administration elle-même?

**Mr Peebles:** Are you asking whether the numbers have changed over the last short while?

**M. Bisson:** Oui, je veux savoir si ça a changé. Ma première question est, est-il le même nombre de personnes, les sept au bureau du ministre, qu'il y avait pour M. Harris, tel qu'il est aujourd'hui? Ma première question.

**Mr Peebles:** At the moment there is no minister, therefore there are a couple of people in the Premier's office who are covered out of this appropriation. But this will be significantly underspent for the current fiscal year.

**M. Bisson:** Retournons à mon point originel. En tout cas, M. Harris était le premier ministre. Est-ce qu'il y avait sept personnes qui travaillaient au bureau du ministre? Je pense à M<sup>me</sup> Cunningham dans le temps. Y avait-il sept personnes dans son staff politique?

**Mr Peebles:** The previous minister is Mrs Elliott. There were seven people, or she had an establishment for seven. I'm not sure she ever actually staffed up to her full complement, but there was establishment for seven.

**M. Bisson:** Présentement, le monde qui travaille au bureau du premier ministre, en vertu de ce ministère, est-ce que ce monde-là sont payés à travers le bureau du premier ministre ou à travers des estimés des affaires intergouvernementales?

**Mr Peebles:** Two of them are being covered by the appropriation from the intergovernmental estimates.

**M. Bisson:** S'attend-on à ce que ces nombres vont augmenter? Va-t-on avoir plus de staff au bureau du premier ministre qui vont être payés à travers ce budget?

**Mr Peebles:** I would not think so. I have no indication that they intend to expand the number.

**M. Bisson:** Ce qui veut dire qu'on peut s'attendre à ce qu'à la fin de l'année fiscale de cette année, s'il y a seulement deux personnes au lieu de sept, cet argent-là va être remis du ministère aux revenus?

**Mr Peebles:** That's correct. The money at the end of the year will be returned.

**M. Bisson:** Et puis vous, dans votre bureau, avez cinq staffs? Est-ce que ces cinq staffs sont compris, sont engagés, en place?

**Mr Peebles:** I think they are. Yes, there are five.

**M. Bisson:** Dans les 25—vous avez fait la demande d'estimés pour cette année—ce sont-ils les 25 qui sont en place présentement ou est-ce qu'il en manque? Avez-vous un plein complément de staff?

**Mr Peebles:** I think we have a few vacancies at the moment. I think we have two vacancies and there are a couple of people on secondment, I believe.

**M. Bisson:** Puis vous allez remplir ces positions-là, j'imagine? Ce sont des positions à remplir?

**Mr Peebles:** In the fullness of time, yes.

**M. Bisson:** La dernière personne qui a dit ça n'a pas eu de changement, je peux vous dire.

**Mr Peebles:** One tries to balance the work in this whole process.

**M. Bisson:** The last guy who used that didn't do very well.

À la page numéro 5: une question un peu simple autour de—

**Mr Dunlop:** Are we doing it backwards?

**M. Bisson:** C'est juste la manière dont je l'ai fait. On recule à la page numéro 5. Sous le poste de directrice, Wendy Noble—c'est une parenté de Leslie Noble? Oh, elle est là.

**Mr Peebles:** Not as far as I know.

**Mr Bisson:** Just checking.

**Mr Peebles:** She says not.

**Mr Bisson:** I'm sure she's a very noble person. I'm just checking.



L'autre affaire : dans vos documents qu'on a regardés justement tout à l'heure—je l'ai seulement en anglais, toute la question de l'habileté des Canadiens de circuler d'une province à une autre et d'être capables de travailler d'un bord à l'autre—est-ce qu'il y a eu des approches avec le gouvernement du Québec vis-à-vis ce qui se passe dans l'industrie de bois ?

1610

**Mr Dunlop:** I think it's safe to say that from our perspective, labour mobility is a very complex issue because of the interdependency that's been built up over the years between Ontario and Quebec, and other provinces as well. As you know, we implemented the Fairness is a Two-Way Street Act so we could ensure fairness for the workers and contractors in other parts of the province. We're working at enforcing our legislation to ensure that those commitments are in fact met.

Mr Peebles, is there anything else you can add to that at this time?

**Mr Bisson:** My specific question is in regard to the woodland industries. There are a lot of complaints in northeastern Ontario, because of our proximity with the province of Quebec, of workers crossing from the Quebec side and coming into Ontario, mostly in the woodland industries; not so much in the mills, but basically those engaged in harvesting timber.

One of the large complaints I get, and that I'm sure other members in northeastern Ontario get as well, is that there isn't fairness and it ain't a two-way street. If an Ontario contractor tries to go into Quebec—first of all, you'd never be able to get in to cut any wood, because they have a much different system from Ontario's—there is an unfair competition of contractors coming into Ontario to compete against Ontario contractors in the woodland industries and you're not able to reciprocate that competition in Quebec.

My question is, has there been any attempt to deal with that issue by way of your ministry or through MNR?

**Mr Dunlop:** We have permitted short-term authorization for the movement of timber from the Kirkland Lake area to the Timmins and Cochrane sawmills. By allowing this wood to be rerouted, the forest workers and logging contractors will not be affected by any kind of shutdown.

**Mr Bisson:** That's a different issue, and we can talk about that at great length. That's in regard to what's happening with the Tembec mill in Kirkland Lake.

The specific issue—and I think Mr Miller would know something about this because he probably gets it to an extent in the woodland industries in his area—is that there's not enough wood in the province of Quebec to keep all their mills going because of a whole bunch of reasons I'm not going to get into. Suffice it to say that the government of Quebec some years ago said, and rightfully so, that the only way you can make paper is by using wood chips. So they encouraged the establishment of sawmills across the northern part of Quebec, which was a good employment strategy; it made sure you had best use of the logs and then you'd take the chips to make

paper. The problem now is that the wood basket is getting very small in northern Quebec, and they have to compete and look around to be able to get wood. So there are two issues. One is wood flow, which we can talk about later, and that's the one you somewhat alluded to—

**Mr Dunlop:** Yes, the Matagami mill.

**Mr Bisson:** Yes. But the other big issue is the mobility of workers and contractors from one side of the border to the other. We have Ontario contractors, for example, who are either logger operators, skidders, feller-bunchers or whatever it might be, who would love to have the opportunity to go and compete for work in the province of Quebec but can't because of the way the regulations are set up. Conversely, you have all kinds of contractors who are coming into Ontario and quite frankly are being very successful in being able to land work in Ontario, but there isn't any ability for the Ontario contractor to get work back in Quebec.

My question is, has there been any attempt by way of your ministry to deal with this issue, so that we at least start negotiations with the Quebec government to find a solution, and if not, to apply the Fairness is a Two-Way Street Act provisions, and I would argue even stronger than that, in order to fix this problem?

**Mr Dunlop:** I'm going to ask Mr McFadyen to help us with this question

**Mr Bisson:** Sure.

**Mr Craig McFadyen:** If your question is concerning whether or not Quebec has more stringent regulations in place with respect to the cutting and milling of timber—

**Mr Bisson:** The answer is yes.

**Mr McFadyen:** The answer is yes.

**Mr Bisson:** We know that, but—

**Mr McFadyen:** We'd have to refer the question of what discussions are actually taking place between Ontario and Quebec on that specific issue to the Ministry of Natural Resources.

**Mr Bisson:** But this becomes a labour mobility issue, in much the same way as with the construction industry. What is frustrating people no end is that they're seeing a contractor from Quebec, who may be a trucker, a delimber or whatever part of the industry he or she is involved in, who is able to come into Ontario and compete—and that's fine; the last time I checked, we're all for competition in Ontario—but the problem is, our contractors can't reciprocate. From an intergovernmental affairs position, has there been any attempt to sit down with the government of Quebec to find some solution to this? Either Quebec allows us to go in and compete freely, as we allow them to compete in Ontario, or we say, "Let's have a reciprocal agreement of some type that says whatever you do to our people, we're going to do the same to you."

**Mr McFadyen:** There have been discussions, but with respect to the details and the exact nature of those discussions, we'd have to refer to the ministry of—

**Mr Bisson:** So your ministry itself would not be dealing with that directly?

**Mr McFadyen:** We're not dealing with that issue directly, no.

**Mr Bisson:** But labour mobility falls under your purview, doesn't it? Isn't labour mobility one of your, sort of, bailiwicks?

**Mr McFadyen:** We deal with labour mobility in a general sense, not in the specific sense, as it might apply to a specific sector. For example, the construction labour mobility issue, which Mr Dunlop was referring to—the Ministry of Labour is the lead ministry on that issue. On an issue that has to do with softwood lumber, MNR is the lead ministry. We'll advise and help coordinate, but with 25 staff members and hundreds and hundreds of agreements—

**The Chair:** Mr Bisson, you have two minutes.

**Mr Bisson:** Let me just say it's very frustrating for people who are in the business, because they're finding it quite unfair. We, as Ontarians, believe that people should have the right to compete for work when it comes to contracting, and we would like to know that we have a reciprocal ability to do so in the province of Quebec. But if they're not going to do that, let's not kid ourselves. It seems to me that we have to take a much different approach as a provincial government and say, "If you guys have rules that prevent our people from competing in the province of Quebec, we'll establish the same rules here."

**Mr John O'Toole (Durham):** Fairness is a two-way street.

**Mr Bisson:** That's what I would advocate.

Has there been any kind of discussion at the Premiers' meetings when the first ministers get together or at other meetings you'd be at that deal with this issue? Has it ever been raised at the table?

**Mr McFadyen:** Not at the Premiers' meetings, not bilateral issues between Ontario and Quebec.

**Mr Bisson:** Last question, because I don't have time: are you in intergovernmental affairs involved at all with the softwood lumber dispute?

**Mr McFadyen:** Just in a peripheral sense.

**Mr Bisson:** How peripheral?

**Mr McFadyen:** We monitor the issue and work with the Ministry of Natural Resources, which makes representations to the federal government, which of course is the lead jurisdiction in the international dispute.

**The Chair:** We now turn to the government caucus.

**Mr Mazzilli:** Mr Dunlop, we're happy to see you back after your holiday yesterday. We've heard there are some 400 agreements between the province of Ontario and the federal government—is that what I heard you say?

**Mr Dunlop:** That's my understanding.

**Mr Mazzilli:** How many bilateral agreements would there be between Ontario and all the provinces?

**Mr Dunlop:** It's a very small number. Most of the agreements are with the federal government.

**Mr Mazzilli:** When we look at free trade and trade issues, there's a dispute resolution mechanism; obviously you go to the trade courts. Mr Peters brought up a good

point. Certainly the federal Liberals have sort of arbitrarily tacked the GST on to the hydro debt. What dispute resolution system is in place on any of those 400 agreements? If the province of Ontario feels the spirit of the agreement is not being followed, is there a dispute resolution mechanism in place to deal with that, or do we just have to harp and go to the media and so on?

**Mr Dunlop:** My understanding is there's not a dispute resolution mechanism in place with this particular issue. That's why, as I said earlier, the Minister of Finance and her staff will work with Mr Manley's office to see if we can find a resolution to it.

1620

**Mr Mazzilli:** I understand that. I guess that's the problem. Has anyone at the Premiers' conferences—400 agreements is a lot of agreements. Obviously, you can dispute each one in court and you can go to court all the time, but it would make sense to me that there would be some other system, a dispute resolution system, in place between all the provinces and the federal government so that when you have a complaint, you can have outside people listen to the complaint and make a decision.

**Mr Dunlop:** I'm going to ask Mr Peebles to answer this.

**Mr Peebles:** There are a couple of approaches that are in place. One is under the AIT agreement that provides for a flow of people and goods around the country, within Canada; there's a dispute resolution mechanism there. Also, under the social union framework agreement that we referenced yesterday, one of the major parts of that agreement was the establishment of a dispute resolution process. This was a significant bone of contention that took, between the provinces and the federal government, the better part of three years to resolve. But finally last April or May, there was an agreement worked out for the Canada Health Act, which of course was hugely significant, given that Romanow is likely to be proposing changes to the system. For some of the jurisdictions that are already proposing to make changes to the health care system, this always raises the issue about whether or not the proposed changes are or are not compatible with the five principles set out in the Canada Health Act. There was no mechanism other than going to court to resolve that, which of course nobody was too keen to do.

So the provinces and the federal government had been trying to work through some sort of a process, and there were significant concerns about what the federal government had proposed initially. But finally, as I said, last April or May there was an agreement worked out and it was essentially the labour relations model, where both jurisdictions—first of all, there was a good-effort clause to make attempts to resolve issues through direct consultation and so on. In the absence of a resolution at that level, both parties would appoint an outside person, who together would agree on a chairperson, and that would be the three-person panel that would hear the dispute and make non-binding recommendations. Under that arrangement, it is still up to the federal minister at the end to decide, but obviously the persuasive ability of this panel



is significant, particularly given that the recommendation from the panel is to be made public. So that's how we together resolved that issue.

**Mr Mazzilli:** So at the present time, if I understand it correctly, the ministers fight it out at both levels of government; if somehow that doesn't work, people are appointed to present both sides and then at some point the arbitrator will make a decision, but it's non-binding on the federal minister. So it's not really—

**Mr Peebles:** Recommends.

**Mr Mazzilli:** But it's a non-binding recommendation.

**Mr Peebles:** It's non-binding.

**Mr Mazzilli:** So it's not much of a dispute resolution. To me, a dispute resolution mechanism is something where people know they can go to this body, the decision is final and it's binding. It's probably something worth pursuing. I know it may take a long time to get all parties to agree on what that body would be and so on, but it seems to me that we could likely avoid some of the current situations.

I have a quick question. Premier Eves decided to keep the intergovernmental affairs portfolio himself. I know Mr Dunlop is doing a great job, but why did the Premier decide to keep this portfolio himself?

**Mr Dunlop:** The Premier's decision to take on the portfolio of Minister of Intergovernmental Affairs really suggests the importance that he places on relations between the provincial and federal governments. As you know, the Premier is not the first Premier to have a dual role. I believe Mr Peterson and Mr Rae both held dual portfolios. My understanding is he wants the role so he can work closely with the federal government and, as well, with our other partners in Confederation and the three territories.

**Mr Ted Chudleigh (Halton):** I thought it was because he had a strong parliamentary assistant.

**Mr Dunlop:** That's right.

**Mr Mazzilli:** That role didn't seem to help Mr Peterson.

**Mr O'Toole:** It's good to see you back. [Inaudible] A couple of points were made here yesterday that were really not on the list here, but over the last four or five years this whole CHST and the Canada transfer payment stuff have been a significant issue. In fact, the federal member in my riding, Alex Shepherd, [inaudible] sent out a rather misleading statement to the people of the riding and it put me in a very tough position. That information came with the tax points—I'm going back. We talked about the 1977 agreement that established program financing.

**The Chair:** Mr O'Toole, I'm just going to remind you that we follow the conventions of the Legislature here, so I will perhaps ask you to reword that.

**Mr O'Toole:** I'll withdraw that "misleading"—

**The Chair:** Thank you.

**Mr O'Toole:** —and insert the word "incorrect." It's my understanding, though, that from what I heard yesterday, and I wonder if you can verify this, the tax points—this was room, and whether it's a 34% tax rate or

35% or 41%—represented space in income or corporate earnings, whatever, for some level of government to tax, either at the municipal level or the provincial level or the federal level. Shortly after that agreement, they moved in and recaptured or clawed back all that space for that tax points group. Is that a correct layman's interpretation of that set of very spurious kinds of tax policy initiatives?

I know this might be more of a question for the senior staff here. I follow this stuff very closely. They even avoided the GNP escalated costs. This all comes back to the credibility of the argument that it's 14 cents on the dollar from the federal government's pocket to pay for health care. Am I communicating the wrong information or is it Mr Shepherd who is communicating the wrong information? That's the question. It's sort of like a 17-word answer. It's not one of these, "Refer it to a committee who will give a non-binding opinion," which is what I heard you say to Mr Mazzilli.

**Mr Dunlop:** Mr Peebles and I have discussed this and, as the senior deputy minister, I think he's got a good response for that.

**Mr Peebles:** I think you've touched on an issue where it's as you're wont to describe it. If you go to the federal finance department's Web site, they actually claim that they're contributing 40%, which of course is at significant odds with the 14% that we assert is the federal contribution. So it very much depends how you work the numbers.

You're right. In 1977, 25 years ago, the federal government did make a tax point transfer to the provinces and that means that they borrowed their taxes and we increased ours by an equivalent amount. So it was a non-issue for the taxpayers and the additional revenue then flowed to the provinces, as opposed to the federal government. The reason we now tend to not count that is that after the 1977 reduction in taxes, the federal government then, through a series of tax increases that followed in the successive years, resulted in the tax room being reoccupied by the federal government. That's why we don't tend to refer to that as a valid contribution that the federal government is now making.

1630

If you were to include that as far as Ontario is concerned, that would mean that for health care and other social spending that's covered by the CHST, the contribution the federal government would make in that circumstance would be about 26%, I believe, not 40%. They get 40% by also including all of the equalization payments as a federal contribution to social services. Of course, the equalization payments are for everything and are not in any way targeted to social programs and, in addition, Ontario doesn't receive equalization. That 40% is an attempt to spin the numbers on a national basis instead of working them on a province-by-province basis. The 14% that we refer to is the actual amount that is contributed in cash each year, as a cash transfer from the federal government to the provinces.

**Mr O'Toole:** I could pursue that. I think Mr Miller has a question, but I appreciate that and still would request a written response to that.



**The Chair:** So you asked for a written response?

**Mr O'Toole:** Yes. I think it's important for all—

**The Chair:** Is one possibly forthcoming on that?

**Mr Peebles:** Yes, that would be no problem.

**The Chair:** Thank you.

**Mr Norm Miller (Parry Sound-Muskoka):** I was very interested in the question Mr O'Toole asked. There have been suggestions in the media that Ontario is seeking a more co-operative approach with federal-provincial relations. Can you tell us if this approach has had any success?

**Mr Dunlop:** Yes. Our government is committed to a positive constructive approach to federal-provincial relations, and I think I said that earlier when I mentioned Premier Eves taking on the dual responsibility again. I think it's safe to say that we, as a government, want to work with the federal government and with all other provinces and territories to resolve all of the important issues that are in our country. Our province is optimistic that dialogue between the provinces and Ottawa will help ensure that governments address priorities such as health care funding, and that's something you've heard over and over again, probably since you've been elected—the issue of health care funding.

The Ministry of Intergovernmental Affairs and the Premier's office certainly welcome the Prime Minister's statement that, following the release of Mr Romanow's report on health care, he will convene a first ministers' conference, and I think we're expecting that to take place this coming winter. That, we hope, is happening before the next federal budget. I'd also note that the Premier spoke to the Prime Minister just prior to the Premiers' annual conference and raised the idea of holding a first ministers' meeting on health care, and he certainly responded. The Prime Minister was not opposed to any such thing.

Another thing is that at the annual Premiers' conference itself, all of the first ministers in attendance agreed that the regular first ministers' meeting should be held to discuss matters of mutual interest, and agreed to communicate language on the subject. I wanted to read a statement into the record on that, from the first ministers' conference:

"Canadians expect their governments to work together. Premiers recognized the need for regular meetings with the Prime Minister to deal with important provincial, territorial and federal issues. Noting that it has been almost two years since the last first ministers' meeting was held in September 2000, Premiers called on the Prime Minister to commit to an annual first ministers' meeting beginning this fall."

Since Premier Eves assumed office, there have been several announcements of federal funding for projects in Ontario. The federal government committed \$76 million to Toronto transit funding on April 26, matching funds previously committed by our province. Again, on May 31, Premier Eves and Prime Minister Chrétien announced a funding package for the arts worth \$232 million. On September 25 of this year, Premier Eves and Prime

Minister Chrétien committed a total of \$300 million to infrastructure improvements to the Windsor-Detroit border crossings. The cost of the improvements will be shared equally by the two governments.

Obviously, there are differences that we have as well. We want to see the federal government's Kyoto implementation plan and we'd like to see the FFM before the federal government decides to ratify it. I think that's something we've heard a number of questions in the House about and we've heard Minister Stockwell make his comments on this as well. But I think overall our approach is that we want to see common ground reached on all of the issues and we hope our ongoing negotiations with the federal government are to be constructive as well.

**The Chair:** You have about two minutes, Mr Miller.

**Mr Miller:** It sounds like this more co-operative approach has benefits for the TTC, the arts and border crossings, and certainly health care is one of the biggest issues for the people of Ontario. It sounds like the federal government has been involved with some creative accounting. They've been taking lessons from Enron by the sounds of the explanation we had a few minutes ago in terms of how they get to 40% funding to the province of Ontario.

**The Chair:** I would intervene that I used it myself in the House the other day and it was acceptable. Go ahead.

**Mr Miller:** I don't think my next question could be answered in the minute that's left, so do you have any other questions?

**Mr O'Toole:** I just want to follow up on this, if I may. Is there a number known as the total amount of revenue collected from the province of Ontario, whether it's GST, payroll tax, corporate tax, and the total amount of transfers? Let's not get caught up in the dollars—

**Interjection:** It's \$71 billion, I think.

**Mr O'Toole:** Yes, that's where the gap is. That's the difference of the transfers. What is the amount of the difference in other large provinces like Quebec, BC and Alberta, for instance? Those numbers would be very helpful. As a senior province in this country, it's important for us to pay more than our share, perhaps, on equalization. I understand that. In fact, I endorse that. But there's a point where, under certain initiatives created by the Canada Health Act, which mandates certain things, they don't provide core funding. That's where I have the problem.

We need the economy of Ontario to help all Canadians—I am a federalist from that perspective; I don't care what country, what language or what origin—and I think that needs to be clear to the people. I'd like to fight the next election on that very premise: clarity in the information we're providing and fairness in that information.

**Mr Curling:** Who calls the election?

**Mr O'Toole:** Well, the Premier calls the election, but I'm ready now. We're ready now.

**The Chair:** Unfortunately, that declaration took up all of the time, but perhaps in another round we can hear Mr

Dunlop's response to that. We now turn to Mr Curling for the official opposition.

**Mr Curling:** I'm going to go to page 10, Mr Dunlop, of the wonderful opening statement made by your colleague. It says, "It is rare in this country to find a field of public policy which does not have some degree of intergovernmental involvement." Having said that, therefore your ministry gets involved with every policy, especially public policy, that is on the table.

Immigration is an area where many of us feel the provinces don't get involved, but it has the greatest impact, especially in this province of Ontario. If my figures are right, I think of all the immigrants coming to this country of Canada, about 40% come to Ontario, or somewhere in that region.

**Mr Dunlop:** It's 59%.

**Mr Curling:** So 59% come to Ontario. As a matter of fact, I was low. And of that, a whopping amount come to Toronto, too. Is it 70% of those or something like that who come to Toronto?

**Mr Dunlop:** We don't have that exact information, but it's certainly a large percentage.

1640

**Mr Curling:** Therefore, it has a great impact on the economy, on the social policies of this country. Many of these immigrants need some language help. They're quite proficient in their own profession but maybe just a bit of English as a second language would be extremely helpful to them. Is there anything ongoing with the federal government about the enormous amount of immigrants who come to Ontario, and the help and support you need to have these immigrants settled? What amount of money does your government put aside provincially and what arrangement do you have with the federal government for support and help? I am trying to be quite balanced here since your colleagues like to bash the federal government. How much money do they put in place for English as a second language to help these new immigrants coming here?

**Mr Dunlop:** It may just take me a second to get some of this data. The best I can do for an answer is that the federal government's allocation to Ontario for settlement services and adult language training is 42%. That amount of money in the 2002-03 fiscal year would be \$108.2 million in settlement funds for the 59% of immigrants who actually come to Ontario. The provincial money, of course, is made up in many, many areas, and it's not defined and totalled as \$108 million, because that's a straight transfer from the federal government.

I might ask Mr Peebles if he can elaborate a little more on the types of services that are provided through the different ministries that would total the provincial—

**Mr Curling:** English as a second language. I don't want you to tell me how much that money is and where it is spent. I want to know how much of that money is spent on English as a second language. Are you able to give me that figure?

**Mr Peebles:** The Ministry of Education would have that number easily available. I can undertake to get it for you. I don't have it at the moment.

**Mr Dunlop:** Would you like to know some of the other services that—

**Mr Curling:** I would love to know, but my time is limited. I'm just going to ignore it all.

**Mr Dunlop:** I just want to provide you with information.

**Mr Curling:** I'm quite sure that 100-million-odd dollars is widespread. I'm just focusing on English as a second language and the settlement of immigrants. As long as we have them under-productive and under-utilized because of language, Canada and Ontario lose an enormous amount of those abilities that they are just oozing, just ready to come out, and yet we have such low funding—this is my estimation—of ESL programs.

I would even go beyond that. You said it's in education. In the schools, for instance, there's a great need for the young immigrant who is trying to understand geography and history as he or she comes along, and doesn't even have an ESL program or teacher. Maybe some would have a part-time person, two hours a day or something like that, when there's a great need. In many classrooms around this province or in Toronto, if you have a classroom of 32 students, it's easy to find 18 to 20 different languages in that classroom. The teachers are then challenged to communicate without the great assistance of ESL.

What I'm saying here is that the involvement of the provincial governments over the past has been so lax in making sure that the human resources that do come to our province are adequately supported. What has happened? We find many of them struggling to get support either through welfare or support with housing. They don't want that. I just want to know what sort of initiative your government is doing on this now to rectify this awful situation.

**Mr Dunlop:** First of all, it's important to note that a lot of the immigration in our province, and in any of the other provinces where there are substantial numbers—say, for example, Quebec or BC—takes place in the larger urban areas, such as Toronto, Montreal and Vancouver. You've mentioned that you go to a classroom and you could find 18 or 20 languages. I have a friend who is a principal of a school here and she has 22 languages in her school. That's a fact of life, and it's difficult. In my part of the province, there's one language, or maybe two the odd time in some of the school boards.

However, our government—and I think it's safe to say governments in the past as well—has dealt with English as a second language through the Ministry of Education. I think earlier we mentioned to you that we would try to provide you with that figure, the actual value of that. There is a specific amount of funding that goes to it as a provincial number. I think it will be in the millions of dollars. We can provide it to you.

**Mr Curling:** I would appreciate getting that figure.

**Mr Dunlop:** Yes.

**Mr Curling:** Let's follow it more. The other part about this too is that there are too many individuals who



are coming to our country and finding that when they are recruited, the great pitch that is given is "how much Canada needs you and your ability." They are doctors or lawyers or whatever profession. We specifically only recruit those and that is why their points are high, because we are looking for the high-demand professions that are in need here. Upon arrival, all of a sudden, the profession and ability they have just withers away. They're not being accepted or they're given the circular thing about "Canadian experience" and they've just arrived.

Again, I want to emphasize, is the government playing a stronger role in that kind of relationship of immigrants coming to the province? Because it seems to me that, as you said, the federal government does the recruiting, the individuals end up in Ontario, and we can't deliver because of the pressure of the social programs, because some of the support services are limited. I'm not hearing, though, from your ministry that you're doing anything of that nature. Give me some semblance of something that says, "Yes, we're at the table with the minister when he goes out there and sells this wonderful, beautiful country of ours, and when they arrive, it's a different country altogether that receives them."

**Mr Dunlop:** It's important to note that a country like Canada and a province like Ontario is a multicultural province and country as well. I'm sure you can understand, and anyone in this room can understand, that without immigration and without the people who have come into our province and our country over the last 25, 50 or 100 years, or even back to Confederation—it's always been immigration and the people who have found Ontario and Canada their new home. I think the history is wonderful. The fact that they've built such strong communities, that they've contributed in many ways to making—

**Mr Curling:** I know the sales pitch line. I know that. They know that too.

1650

**Mr Dunlop:** I understand. But I can't understand where you're coming from as far as—you're making it sound like it's bad for immigrants to come to Canada and Ontario. I think it's just exactly the opposite. I think it's actually one of the most wonderful places in the world for someone to come to.

**Mr Curling:** It is sad that you read that into my comments. I'm saying that these are wonderful people, bright, intelligent, articulate, in their language or what have you, who are attracted to this country because of the strict criteria Canada offers. When they do arrive, you're getting the best of the crop of the world. As a matter of fact, you don't even have to train them when they come here. As a matter of fact, that's why your post-secondary institutions and training institutions lack all that kind of money: because you have trained people here.

I'm saying, why are you underutilizing them? Why is it no funding is there? Why is it that you're not at the table with the federal government to say, "We want to make sure that these wonderful, bright individuals are up and coming?"

But what you read into my speech was that you thought I wasn't encouraging immigrants to come here and that I don't want them here. No. I'm saying something different. Of course we welcome them. We don't want the engineers to be driving taxis. We don't want the doctors to be orderlies in hospitals. The barrier is the government policies right there that have no assistance and support. You'd rather them go on welfare forever or other things like that. And you're telling me that I'm not welcoming? I would love to welcome them. I want to make sure they get the support that is needed to make them operative and productive for society.

Tell me then, what are the programs in here, intergovernmental affairs—are they at the table? Are they with the federal government at all?

**Mr Dunlop:** Those are always ongoing discussions with the federal government, which of course in the province of Ontario is responsible for immigration. I may stand to be corrected, but I think the only province that has its own immigration rules would be the province of Quebec. They have a separate inspection department, on—

**Mr Curling:** Permit me. Other provinces are playing roles right now.

**Mr Dunlop:** My understanding is that a lot of the other provinces are asking for more immigration—Alberta and BC as well.

I'm sorry for what I read into your earlier comments, but I've just met so many wonderful people in this province who have been so successful. Some of their families immigrated here 100 years ago, and some of them have immigrated here in the last two or three years. They seem to be doing very well. They just love our province and our country. So I—

**Mr Curling:** Let me tell you, there are many who are not doing very well but who want to do well. They want to do well.

Let me go on to another subject: housing, homelessness and all of that, which is a part of your—

**Mr Bisson:** That's a good one.

**Mr Curling:** That is a very good one itself. Your government has moved housing away to another jurisdiction called the city, you see, and as we come in the pecking order, the federal government will pass on some of the responsibility, and you passed it on to the city—

**Mr Peters:** It's called a three-storey outhouse.

**Mr Curling:** Oh. I think that's what it is.

I understand that the federal government has come up with some sort of money—maybe it's not adequate enough—to help with housing. What are the matching funds? I understand that somehow the strings attached to housing—you and the city would like transitional housing, which to me means temporary housing. But I'm saying to you, what role is the provincial government now playing with housing, co-ops and things like that? At one stage, the federal government and the provincial government had tremendous interest in co-op housing. Where is that sort of jurisdiction now? Who owns what and who's doing what now in housing? Because I'm lost.



I don't know who's responsible for housing these days, since your government has come into power.

**Mr Dunlop:** Thank you very much for that question. Again, the Minister of Intergovernmental Affairs looks at housing on very, very broad terms, but the actual agreements that are taking place today and the negotiations that are going on, of course, are done by the Ministry of Municipal Affairs and Housing. I don't have an up-to-date policy or position of where the Ministry of Municipal Affairs and Housing is today, as we speak. I can probably try to find information for you for another day on that.

**Mr Curling:** I would really like to find out who plays what role in housing.

**Mr Dunlop:** But I think we all realize that not only in Ontario but across our country we have some housing issues that we have to resolve, not only for low income but around homelessness as well. We as a government understand that and the federal government understands that and the municipalities understand that. We're doing our best to work, and the lead on that of course, as I said earlier, is Minister Hodgson's ministry.

**Mr Curling:** When is the next first ministers' conference coming up?

**Mr Dunlop:** My understanding right now is that it'll be probably in Ottawa, it'll be in February, and it'll be a first ministers' conference with the emphasis being put on health care, because often other ministries get involved as well. But a lot of it will be following the recommendations that we expect to be released on the Romanow report. Health care officials and stakeholders right across our country are eager to see his comments.

**Mr Curling:** You have almost second-guessed my other question. Are there on the agenda, other than health care, things we talk about today, like a stronger role in immigration? Would that be on the agenda? Or could you then send my message to say, "Could we put that on the agenda?" I ask you to put that forward. That's why I need the minister to be here, to have immigration on the agenda.

**Mr Dunlop:** The first ministers' conference, this one, where the Prime Minister is involved: our understanding, and I'm quite sure of this, is that the Prime Minister's office sets the agenda for those. I'm thinking there would be a number of recommendations coming. I know there's—

**Mr Curling:** The Prime Minister sets the major agenda, but there are agendas that the province can put on that agenda too.

**Mr Dunlop:** Absolutely. There are always open discussions. Whether they're on the actual agenda or not, I'm sure many conversations take place around many issues.

**The Chair:** We have one minute left.

**Mr Peters:** A quick question. We've seen advertisements on television and newspapers signed by the Premiers all across Canada. Can you tell me how much we have spent, how many Ontario tax dollars have been

spent, on all those advertisements dealing with health care?

**Mr Dunlop:** The budget on the Premiers' Council on Canadian Health Awareness is what you're referring to. I think we talked a little bit about this.

**Mr Peters:** Yes, and at that point you referred me to this committee.

**Mr Dunlop:** Right. I'm just trying to get the exact—20 cents per citizen is what we've allocated for that. Ontario's annual contribution will be \$2.28 million toward the Premiers' Council on Canadian Health Awareness. It has a total annual budget of \$6 million for all the Premiers together.

**Mr Peters:** But we're spending \$2.2 million of tax dollars—

**Mr Dunlop:** Yes, about \$2.28 million.

**Mr Peters:** That could have saved a number of programs at the London Health Sciences Centre.

**The Chair:** The time has now expired for this round. We go to Mr Bisson for the third party.

1700

**M. Bisson:** Si on peut aller au livret, pages 16 et 17, et si on regarde sous les estimés le total pour ce qu'on appelle les paiements de transfert, on remarque que 5 % du budget du ministère est utilisé pour des transferts à d'autres associés adjoints. Je ne sais pas trop, mais si je regarde la page 17, ça décrit un peu où on dépense l'argent.

Ils disent ici dans le livret, sur l'Institut des relations intergouvernementales, que l'institut fait partie de l'Université Queen's et qu'il s'agit d'une ressource importante pour les recherches indépendantes sur le système fédéral et les affaires gouvernementales.

C'est exactement quoi qu'ils font là, eux autres ? C'est un partenariat avec d'autres gouvernements provinciaux et le fédéral qui fait des études seulement pour la province ? Pourriez-vous expliquer ça ?

**Mr Dunlop:** Mr Bisson, you are referring to the \$11,000?

**Mr Bisson:** Twenty-four thousand.

**Mr Dunlop:** Oh, the Institute of Intergovernmental Relations. I'm going to ask Mr Peebles to respond to that.

**Mr Peebles:** That's an institute at Queen's University that is funded by I think all of the governments; the federal government and all of the provinces make a contribution. It's run by a man called Dr Harvey Lazar. I think it has a staff of three or four people who basically do research into various topical issues of federations. They look at various issues. They've done some work around the social union framework agreement. They issue a variety of research documents every year and they hold conferences and that sort of thing.

**M. Bisson:** Les études et les recherches qu'ils font à cet institut, avez-vous une liste des documents qu'ils ont faits la dernière année ?

**Mr Peebles:** I don't at the moment, but I can certainly get you a copy of that, if you'd be interested.

**M. Bisson:** Pourriez-vous, pour la semaine prochaine, ou dans deux semaines, quand vous revenez le mardi—je

regarde seulement une année, une période de 12 mois. Quelles sortes de papiers eux autres ont-ils produits ? Ils sont intitulés quoi, ces papiers-là ? Puis une petite explication d'exactement ce qu'ils font avec chacun de ces documents-là; c'était quoi qu'ils ont fait ?

La deuxième question : ça fait combien de temps qu'on a cet institut-là qui est financé à travers les provinces ?

**Mr Peebles:** I think it's been three or four years that Ontario has contributed. The federal government has contributed for a little longer, I believe.

**M. Bisson:** Ça veut dire qu'il y a eu une manière d'entente entre les premiers ministres, quand ils se sont rencontrés, de financer un tel institut ? Quand est-ce que la décision était faite ? C'était toutes les provinces en même temps, ou le fédéral et puis les provinces qui sont rentrées après ?

**Mr Peebles:** I'm not sure every province is an active contributor. I know Ontario has contributed for about three years. I don't think it has ever been discussed among the Premiers themselves.

**M. Bisson:** Donc, ça fait trois ans que la province de l'Ontario contribue à cet institut ?

**Mr Peebles:** I think that's right, subject to confirmation.

**M. Bisson :** OK. Vous êtes capable de vérifier. C'est pour quelle raison que l'Ontario a décidé de financer—la décision avait été faite comment ? C'est ça que j'aimerais savoir. C'était eux autres qui nous ont approchés pour un octroi ? C'était le premier ministre qui a décidé que c'était une bonne idée ? C'est comment que c'est arrivé ? C'est quoi l'historique ?

**Mr Peebles:** I'm sorry; I can't give you history. It has been funded for a while, I know. If you're interested in this, I can also give you more details on what our contribution has been and how long we've made the contribution.

**M. Bisson:** Vous êtes capable de préparer une note qui dit qui a fait la demande, d'où vient cette affaire-là ? C'est un institut qui a été créé par les premiers ministres; donc c'est eux autres qui nous ont approchés ? Deuxièmement, comme j'ai dit, j'aimerais avoir une liste des papiers de discussion qu'ils ont produits pour avoir un sens de ce qu'ils ont fait. C'est intéressant et c'est bon, mais je ne comprends pas pourquoi on sort du secteur—pour quelle raison on ne fait pas ça à l'intérieur du ministère. Vous n'avez pas de recherchistes ?

**Mr Peebles:** Well, we do have some staff in the ministry, but with about 20-odd people, we wouldn't be able to do the sorts of in-depth, academic-type research, nor would it be efficient to try and do that type of research.

**M. Bisson :** OK. Vous êtes capables de revenir à la prochaine réunion avec ça. Ça serait correct.

La deuxième partie, c'est les 11 000 \$ que l'assistant parlementaire avait soulignés tout à l'heure, les subventions visant à promouvoir les relations fédérales-provinciales. Ça dit que ce fonds de paiements de transfert était créé en 1983-1984 dans le but d'appuyer une

variété d'initiatives liées aux relations fédérales-provinciales.

Onze mille dollars : on n'a pas fait beaucoup, j'imagine ? C'est quoi qu'ils ont fait, eux autres, avec ces 11 000 \$ ?

**Mr Peebles:** We haven't allocated any of that money this year. I don't think we allocated all of it last year either. It had been used in the past, and it's established here in case the requirement comes up to support some initiative with extra research we may or may not in any particular year need to do.

**M. Bisson:** Si ces 11 000 \$ ne sont pas dans vos estimés, est-ce que vous avez l'habilité de les prendre quelque part d'autre ? Si vous ne les dépensez pas—vous ne les avez pas dépensés totalement l'année passée. Jusqu'à date, vous ne les avez pas dépensés du tout. Ce n'est pas beaucoup, mais c'est 11 000 \$ quand même. Y a-t-il une habilité d'aller rechercher cet argent-là de votre budget autrement ? Je me demande pourquoi il est encore là si vous ne vous en servez pas.

**Mr Peebles:** It's set aside as a contingency in case the requirement to do research or to support some policy work requires extra external consulting. In the last short while we haven't had that kind of need. I expect probably, given where we are in the fiscal year, that money will go unspent this year.

**M. Bisson:** Mais, si j'ai soulevé la question, c'est que, si on ne le dépense pas puis on va avoir l'argent à la fin de l'année, c'est bien beau, mais je me demande pourquoi on le met dans les estimés. C'est un peu bizarre.

L'autre est le 90 600 \$ pour le Secrétariat des conférences intergouvernementales canadiennes. Ça dit que le secrétariat a été créé en 1973 par les premiers ministres afin de fournir des services de soutien aux réunions intergouvernementales. Les 90 000 \$, est-ce que c'est normal, haut ou bas comparé aux autres années ? Je n'ai pas une comparaison là-dedans.

**Mr Peebles:** The organization itself, the Canadian Intergovernmental Conference Secretariat, exists to support the provincial-federal meetings and the sectoral meetings that happen. It doesn't change very much from year to year because there are roughly the same number of meetings that happen every year. They're at the annual Premiers' conference, any first ministers' meetings that might be—

**M. Bisson:** Est-ce que chaque province paie un montant égal ?

**Mr Peebles:** It's a proration. The federal government pays half of the cost and the provincial share is divided up on the basis of population. We pay 38% of the 50% that falls to the provinces and we charge the ministry back to the extent they have used the service.

**M. Bisson:** Physiquement il est où, ce secrétariat ?

**Mr Peebles:** It's located in Ottawa.

**M. Bisson:** Ce sont des travailleurs fédéraux ou indépendants ?

**Mr Peebles:** I believe they're part of the federal public service.

**M. Bisson:** OK.



**Mr Dunlop:** I think it's safe to say, if I may, Mr Chairman, if you look on page 16 and you compare the actuals in 2001-02 and also the year before, 2000-01, they came very close to the budget in each of those years, within \$9,000 or \$10,000.

**M. Bisson:** Non, j'ai demandé la question parce que je me demande—si il y a une augmentation d'activité d'une année à l'autre, ce nombre va changer d'une manière à l'autre. Si on veut dire que dans une année il y a beaucoup plus de rencontres, ça veut dire que le montant qu'on paie au secrétariat aurait été augmenté.

**Mr Peebles:** Yes, if there's a sudden increase in meetings.

**M. Bisson:** Ce qui veut dire que vous avez besoin d'aller rechercher l'argent quelque part d'autre dans votre budget, ou que là vous faites une demande spéciale? Faites-vous des demandes supplémentaires aux estimés dans un cas comme ça? Je ne suis rien que curieux.

1710

**Mr Peebles:** We have actually capped our contributions to them, and the federal government has picked up the excess when it has happened. There's supposed to be a proration exactly, but if their budget gets a little overspent, every year the feds have put in the extra money.

**M. Bisson:** Pour revenir sur un point—j'ai oublié de demander la question. Dans l'Institut des relations intergouvernementales, est-ce que le mécanisme de paiement des 24 000 \$ qu'on paie est la même formule dont vous vous servez pour le secrétariat, ou c'est un montant égal payé par toutes les provinces pour l'institut?

**Mr Peebles:** No, there's a difference in the sense that the conference secretariat is an agreement among our jurisdictions to contribute. The Institute of Intergovernmental Relations at Queen's is a voluntary issue, so there's no mandated amount we have to contribute.

**M. Bisson:** Comment est-ce qu'on arrive à 24 000 \$? C'est le même montant que le Québec et le Manitoba vont payer, ou est-ce que chaque province paie ce qu'ils pensent comme cotisation?

**Mr Peebles:** Everybody makes a decision as to how much they want to contribute. For example, I think the federal government contributes significantly more than our share. Obviously the institute tries to shop their services around and tries to get as much as they can.

**M. Bisson:** Mon point, ce n'est pas qu'ils font quelque chose de négatif. C'est même une bonne idée, toutes les provinces qui paient pour être capables de soutenir un département de recherches en Ontario. C'est un peu intéressant.

OK. Moving on to another number of questions, I want to get back to the mobility rights of both labour and materials between the provinces. We didn't get a chance to complete this, and I'd just like to finish what we were talking about.

When it comes to the ability for contractors to work on one side of the border of Quebec or Ontario, if I understood correctly what you're saying, there is no specific

initiative that's been put in place by the province through your ministry to deal with the problems we're having when it comes to logging contractors working in Ontario and our contractors not having the ability to go back and reciprocate in competition. There's nothing at your ministry that deals with this issue?

**Mr Dunlop:** No. We tried to make that clear in the beginning. Although this ministry would look at that in a broad sense, the Fairness is a Two-Way Street Act and issues surrounding labour mobility are dealt with by Mr Clark, the Minister of Labour. I know Mr Clark and Mr Rochon, the Quebec Minister of Labour, meet on a regular basis and discuss these issues.

**Mr Bisson:** Maybe the question is more aptly put to the Ministry of Labour and MNR, I would agree, but let me just say on that particular issue, it's a really large irritant for contractors, and I imagine it's the same in other parts of the province. You have a province that takes a pro-trade position, and rightfully so. We take the position that in Ontario we believe in a competitive system in the woodland industries, and rightfully so. It's not a bad system. But it's very frustrating for our contractors, who are saying, "Here I am, my own equipment, and I'm being outbid by a Quebec contractor because they're desperate and they want to make payments on their machines and are willing to do it for a lot less." The Ontario contractor doesn't have the ability to go back and compete in the Quebec woodlands industry. At times, it becomes a really huge issue, depending on how much work there is on both sides of the border. If there's lots of work in Quebec, we don't hear much about this; our Ontario people are working, because they are not coming over. But right now it's starting to be an issue again.

Maybe we'll bring that back to the Ministry of Labour, but I wish there would be something more specifically done on that issue, because it seems to me if we take a pro-competition position in Ontario and we have a jurisdiction that takes a more restrictive one, either we have to negotiate for them to open up their trade with us or, quite frankly, we have to say, "We have a mirrored policy. Whatever your rules are in Quebec will be the same as ours," to find a way to get them to negotiate a settlement that makes some sense on this issue.

**Mr Dunlop:** If I may just quickly ask you a question back, I know that in the construction industry in the city of Montreal, a lot of the movement of labour is controlled of course by the unions, and I want to get your comments on the pulp and paper industry, just for my own information. Is it union driven, or is it—

**Mr Bisson:** No. In the woodland industry, most of it is not organized, especially contractors. The contractors are basically hired as contractors by companies like Tembec and others to do a specific piece of work in the bush, either to haul or to fell or cut trees or whatever. There are some areas—the Gorden Cousens Forest up at Spruce Falls and others—that are under licence with IWA, and those would be unionized workers who would work for the company or their contractors. But by and large I would say a pretty big chunk of the industry is not unionized at that level.



The issue for us is that it's not the unions in Quebec that are preventing the mobility; it's that the Quebec government takes a much more restrictive view on licences and permits that are needed in order to work in Quebec as a contractor. The biggest thing is that people stick together in Quebec. That's the issue. The contractors gang up and say, "If you come in the bush and compete with me, you're going to have to deal with me," and the Ontario contractors don't feel sufficiently protected by the laws of Quebec, and by the police themselves, so they're somewhat leery to put their equipment in that position. It's really a bad situation.

**Mr Dunlop:** In a way, that's rather unfortunate, because if you look at what Ontario workers have contributed to the building of Canada, not only in Ontario but if you go into the territories and the pipelines throughout the west, there's been a lot of demand to get Ontario expertise to those other provinces. So it is rather unfortunate. But again, I just wanted to point out that the Ministry of Labour is the lead on this.

**Mr Bisson:** I understand. I guess what I'm looking for is a bit of help here.

**The Chair:** Two minutes, Mr Bisson.

**Mr Bisson:** Is that all I have left? My God, time flies when you're having fun.

It seems to me that you need to have some sort of central approach to this issue, because it's the same problem we have in trucking, in logging and in the construction industry. They're all having the same kind of problem. We need to find some way to centrally coordinate whatever our strategy is provincially to deal with this issue. I say again: if Ontario takes a position that we encourage competition within our economy, that's fine, but we certainly have to have a policy to address in some way someone who doesn't encourage the same thing and is competing with us. I don't think it's fair to our people and our contractors not to be able to work freely in the woodland industry in the province of Quebec.

I can tell you that in the trucking industry, it's really bad. In northeastern Ontario I talk not only to people in the woodland industry but to haulers who basically have highway haulage. Some of them have real difficulty trying to transport loads into Quebec. They may get the proper permits, but if they happen to mess up on one permit, they get the book thrown at them. It really discourages people from going back. Conversely, it's a lot easier to get permits in the province of Ontario, and they're not hassled to the same degree.

My argument is: if we take a pro-competition position in Ontario, we have to try to get Quebec to take the same. If they don't, we have to find some way, quite frankly, to say, "We'll adopt the same rules with you." Maybe that way they'll be able to negotiate, in the end, something that makes some sense for everybody.

**Mr Dunlop:** If I could just very quickly ask: being from the north and covering a huge area in the north, how far does this problem extend into the north from the Quebec border, as far as you're concerned?

**Mr Bisson:** Anywhere there is a border crossing. It would start in Mattawa, through Mr McDonald's riding, all the way into my riding, up by Cochrane etc. It's a huge issue.

**Mr Chudleigh:** The domino effect would go right across the north?

**The Chair:** That concludes—

**Mr Bisson:** If I could, Chair, the final thing is that I would imagine we don't have the same problem in Manitoba, because Manitoba takes much the same position as we do when it comes to open competition. I'm just saying that we need to find some way to get Quebec off this position, or we have to get a little bit tougher. It's as simple as that.

**The Acting Chair (Mr Steve Peters):** Thank you, Mr Bisson. Mr Chudleigh?

1720

**Mr Chudleigh:** It's a very good point that Mr Bisson makes, and it's been in the north for some time, particularly when some of our mills are in difficulty. Logs keep coming in from Quebec at prices that are difficult to compete with.

My question revolves around agricultural trade. This is one that I think is extremely important, not only on a provincial basis or a national basis, but indeed on a worldwide basis. Agricultural commodities play a huge role in worldwide economies, particularly in the Third World. We in Ontario are faced with a situation where we have to be competitive with US grain prices. US grain prices are set based on a US farm bill that has gone up and up and up.

When I entered the food business back in about 1959, 1960 or 1961, I think the US farm bill would probably have been in the \$15-million to \$20-million range. Today the US farm bill approaches \$300 billion, just an astronomical level. When you look at that, that translates in Ontario as our need to subsidize our farmers so they can continue to grow corn and soybeans and the other products that corn and soybeans feed. It affects the poultry industry, it affects the pork industry, it affects the beef industry, it affects the lamb industry. What happens with that is our budget has to increase, and we have to keep our farmers competitive. The subsidies the Ontario farmer is now receiving probably top \$200 million in the jurisdiction of Ontario—those would be provincial and federal dollars.

That's how it affects us in Ontario. Those are dollars we have to find somewhere, and it does have an effect on us. Those are dollars that aren't available to health care, they're not available to education and they're not available to community safety. So it does affect us. But take that position and look at a different country, a Third World country where they have to compete with corn at \$3 a bushel or soybeans at \$5 a bushel. A Third World country can't possibly produce that crop, export it and get anything back other than possibly their shipping costs.

I don't know what a bushel of corn would sell for in an unsubsidized market. I think it would be around \$5 to

\$6, which might return 25 cents or 50 cents a bushel to a Third World country. Right now it's costing them over a buck a bushel in subsidy to produce the crop, and so they're not producing the crop. That puts tremendous pressure on Third World countries, which are primarily agriculturally based.

What do they do? Well, in Mexico they produce marijuana to export to the United States. In Colombia they produce cocaine to export to the States—illegally, but it's a crop they can profitably produce. In eastern Turkey, they produce poppies for heroine. In the triangle of Thailand, Laos and Myanmar, they produce more poppies to export heroin around the world.

I would submit to you that there is an argument to be made that all this drug trade, and much of the woe of the Third World, is based on the huge subsidies of the US farm bill.

Since your Ministry of Intergovernmental Affairs deals with the issue provincially to the national government, I wonder how big an effort our province is making—and I suggest to you that it should be huge, in a humanitarian sense—to convince the federal government to make this a particularly large issue with the world in general, and in particular with our largest trading partner and closest friend internationally, the United States, to scale back their farm bill. They should stop subsidizing and creating a fictitious market in the agricultural commodities area, in order to allow Third World countries, which is their natural propensity, to take part in an agricultural growth sector and to move out of the crops that are harmful to both our society and their society. I wonder how big an effort is being made in that direction from your ministry.

**Mr Dunlop:** Thank you very much for the question and the comments. You certainly enlightened us on where the illegal drugs in the world come from. I wasn't aware of all those jurisdictions.

**Mr Chudleigh:** Well, it's not that I deal in them; it's that—

**Mr Peters:** You forgot Ontario.

**Mr Chudleigh:** Marijuana has become an export commodity for Ontario, but that's another story; that's a crime-related story. The US farm bill can be directly attributed to the production of drugs in Third World countries, and that's wrong. Also, in Africa, it prevents the Africans from producing soybeans or corn crops or meat crops—pork, beef—and feeding that grain to beef and then exporting that beef to Europe or to some other world market. It prevents that because the US farm bill has kept those prices so artificially low through their massive—absolutely massive—subsidies. When you put pen to paper and work out what a corn producer in the mid-western United States is making on an acre of corn, it's no wonder that their pick-up trucks are much bigger and better equipped than our pick-up trucks back on the gravel roads, because they're making a massive amount of money, especially when they're growing 5,000, 6,000 or 7,000 acres of these crops.

**Mr Dunlop:** I certainly didn't mean to think that you were into selling illicit drugs or anything like that. What you point out is something that not only our minister, the Minister of Agriculture and Food—but I think it's a federal concern as well. We hear this continually all the time. I want to point out that agriculture is a shared federal-provincial jurisdiction. Under the Constitution, agriculture support programs, and I think you probably already know this, but they're shared jointly by the federal government at 60% and 40% by the provincial government.

**Mr Chudleigh:** If I could just interject. I realize it's a shared program, but the feds are doing nothing, in my opinion. They're doing nothing in this area. I think they need a sharp stick prod, or maybe a little cattle prod with a sharp jolt on it, to get them going.

I think Ontario, which has the largest farm gate value for agricultural commodities in Canada—we're significantly larger than almost all other programs. Alberta with their huge increase in beef production has come close to our farm gate value, but they're well behind us. With that kind of leadership role, I think it's incumbent on us to bring this to the feds' attention in the strongest possible way. I haven't seen that happening in the past. I think it's this ministry, intergovernmental affairs, that has to drive that agenda.

**Mr Dunlop:** Well, that's certainly an interesting comment. I know that in the recent—

*Interjection.*

**Mr Dunlop:** OK. I have to tell you that our Ontario Premier has discussed this with the other Premiers as well. I'm not so sure—

**Mr Chudleigh:** It's made the agenda, has it?

**Mr Dunlop:** Pardon me?

**Mr Chudleigh:** It's made the agenda of the first ministers' conferences?

**Mr Dunlop:** Yes. But we've talked so many times in our own caucus, we've talked so many times in committees and just in general with the public. Certainly all of our stakeholders, our farmers right here in the province of Ontario, make us aware of that, particularly those of us who come from rural ridings. We hear this on a continual basis, and I agree that it's a problem that's not only affecting our producers here in the province of Ontario, but it's affecting producers right around the world. It's something we can talk about at a federal-provincial conference or at a first ministers' conference, but certainly we need the feds on side big-time on this.

1730

**Mr Chudleigh:** We so often get involved in the mixed messages. We go to Ottawa and ask them to increase our subsidies to our corn producers, soybean producers, pork producers, beef producers and chicken producers so we can compete in the international marketplace, when the real problem is not the subsidies that we should be going to Ottawa to ask for, but that we should be going to Ottawa to ask them to lobby the Americans to cut their subsidies. Because if you want to compete in a fair world, competing with the US treasury isn't a very smart



game to get involved in. So competing with increased subsidies is wrong-headed, in my opinion. We have to continue to do that until we can get the Americans to stop the subsidies they're pursuing that are destroying agriculture in the Third World and destroying their development.

Look at Zimbabwe, old Rhodesia. They were a food exporter at one time. There's a racial thing down there that people point to, but the basic problem in Zimbabwe is not the quality of the farmers, which is excellent, by the way; the problem is the US farm bill. They're in a situation now where they're going to have to import food because so many farmers have gone out of business because they can't compete internationally in the soybean market, the white bean market, the sorghum market and in some of the meat businesses that they've moved into. They can't compete against the US farm bill. They're destroying Africa and they're destroying agricultural production in South America because of the competition factor. They're competing with the American treasury, and no one can survive that.

I think it's this ministry that should drive that message as strongly as it possibly can in Ottawa, to point out the folly of the road we're on, both in Ontario and Canada, and in particular the United States, which is leading the way.

**Mr Dunlop:** I certainly appreciate your comments. Possibly there is a leadership role there. I'd like to ask Deputy Minister Peebles if he could just add a couple of comments to that as well.

**Mr Peebles:** Just as an indication that the Premiers have in fact discussed this, following last year's Premiers' conference, the chairman of the conference, Premier Campbell, wrote to the Prime Minister on August 30. The reflection of the comments you've been making is in this paragraph here that I can read:

"Premiers are well aware of the massive problems that are currently facing farm families in all jurisdictions. Premiers are asking the federal government to work in an all-out effort to reduce trade-distorting agricultural subsidies, including the elimination of export subsidies. Premier Calvert will be reporting back to the Premiers by the end of September on this and related farm safety net issues."

The issue did come up and it's reflected in that.

**Mr Chudleigh:** I guess all I would say is, yes, it has come up and they've given lip service to it, but I think we should drive that agenda just as hard as we possibly can. I think the future of agriculture in Ontario and I think the future of agriculture in Canada and the United States is going to depend on getting off the treadmill that we're on now. I think it would move a long way—a long way—to getting the Third World countries more fiscally secure if they were able to get into the agricultural business that the United States is shutting them out of.

We talk about Kyoto and those kinds of things—if Brazil could make money growing corn and soybeans, they might be less anxious to cut down the rainforests. They're cutting down the rainforests in the Amazon in

order to pay the interest on their World Bank debt. They're not paying off any of the principal; all they're doing is paying the interest on it. They've got another 40 or 50 years to cut down the rainforests. It's a lot of wood. But maybe if we had some agricultural opportunities down there, they'd be less willing to take that route. And it could start right here.

**Mr Dunlop:** I certainly appreciate the input you've had here on this. I wasn't familiar with some of those countries and the issues they face with the American subsidies and the US farm bill. However, I can tell you that people like myself and Mr O'Toole attend the corn producers' meetings on a regular basis in our zone. We hear this from our producers of corn and soybeans on a regular basis. I guess we seem to be adding some subsidies, some kind of relief each year to get farmers through the years. In the big picture, the US farm bill is what's behind it all. We hear that from farmers across our nation. There is a role there to play and maybe there is a stronger role for Premier Eves to play at a first ministers' conference. It's something that I know our Minister of Agriculture and Food is very much aware of and very concerned about as well.

**Mr Chudleigh:** I've tried to help her with that.

**Mr Dunlop:** Thank you very much.

**Mr Chudleigh:** That's all I have.

**Mr O'Toole:** Actually we're trying to find issues that—you won't answer any questions on electricity or anything. I'm on a panel later today so I need some answers.

I want to go back to the labour mobility agreements, which have been a long-standing issue. I don't think we have any answer that I'm aware of. Maybe from your civil servant's perspective—we've tried twice that I'm aware of. One was Minister Flaherty's—I remember all the fanfare, the fairness-is-a-two-way-street issue. That was the policy.

Mr Lalonde, in fairness, has been a large advocate for this Fairness is a Two-Way Street Act, as well as members on our side: Mr Sterling, Mr Guzzo, Mr Baird and other Ottawa members. Could you tell me, outside of the pure politics and unionism stuff, what is the cause? What's the problem here? Clearly they're working in Ontario. Whether it's the compensation, premiums, training or licensing, why can't our union groups, our skilled trades people work in Quebec? What's the problem here? What do we have to do in a policy sense? Because you can't do anything unless we say that's what we want done.

**Mr Peebles:** You're asking, as I understand it, what's the reason that these two ministers—

**Mr O'Toole:** We can't enforce the law.

**Mr Peebles:** —can't resolve this issue and haven't resolved it in all this time. There's a simple answer, and that is that the Quebec government, in order to deal with another issue entirely, turned the whole structure of the construction trades in Quebec over to the unions to run. They have created a structure of rules that is almost unfathomable by anybody who is not steeped in this stuff.



What we're asking, by way of saying that we would like to have as free a situation in Quebec for Ontario workers as exists for Quebec workers in Ontario—I wouldn't say it's an impossibility for them but it certainly is a daunting request, given what they've done with the labour industry in Quebec.

**Mr O'Toole:** I wouldn't presume to understand.

**The Chair:** Last minute, Mr. O'Toole.

**Mr O'Toole:** The last observation is, why don't we decamp the ministry to our labour councils so they can fight it out and find out it's a one for one, net hours, or some kind of formula where at the end of the year we'll tally it up and there would be a transfer of money? Why can't we do that?

**Mr Peebles:** I think that's a question that, as a civil servant, I would defer to the parliamentary assistant.

**Mr O'Toole:** Well, you should bring that suggestion up. I appreciate it. There's got to be some money solution to this problem.

**The Chair:** We now turn to the official opposition. I saw the parliamentary assistant looking at the clock, I'm sure mindful of the fact that there is a vote coming up at 5:50. So I would just advise all parties that we may have a bell intervening. I think we'll proceed and perhaps use the first five minutes, Mr Peters, if that's all right.

**Mr Peters:** I'd like to go back to the pediatric cardiac surgery that you're going to be providing some further information about. I would really like to know specifically—because you've got concern in the southwest about their ability to get into Sick Kids hospital. You have concern in eastern Ontario about their ability to transfer a program from CHEO to Sick Kids.

1740

We had this wonderful surgeon in London, Dr John Lee, who was part of the pediatric cardiac surgery program that is no longer in place in London. Dr Lee left and went to Halifax. The province could have intervened to keep Dr Lee in Ontario. He's a brilliant surgeon. I'd like to know if the province has entered into these discussions about consolidation of programs in Ontario and potentially at Sick Kids. I'd like to know how Sick Kids is going to be able to deal with this influx.

It's important enough that somebody needs to look at this. If we're going to consolidate programs from other provinces and bring them into Ontario, we need to first determine whether we've got the ability to look after Ontario citizens. I'm not trying to get into a provincial war, but I think it's incumbent on us provincially to look after those individuals in our own backyard first. I'd like to know truly what the status is of these negotiations, and is the province actively pursuing trying to bring Dr Lee back to Ontario. We had this doctor here and we let him leave Ontario. Is Dr John Lee an individual we're trying to bring back to this province?

**Mr Dunlop:** Certainly it's a very valid concern you have, Mr Peters. The details are under the Ministry of Health and Minister Clement's office. I don't know whether there's any kind of internal recruitment or anything like that trying to relocate people here, but I do

know that any time we lose a doctor out of our country who would go to another country to practise, it's unfortunate, because there's a shortage here.

**Mr Peters:** He didn't leave the country; he left the province.

**Mr Dunlop:** Sorry.

**Mr O'Toole:** If I could be helpful here, yesterday I thought there was a very good point—

**The Chair:** Mr O'Toole, I'm sorry. If it's not a point of order, I have to leave the engagement between the parliamentary assistant.

**Mr O'Toole:** OK. Good point yesterday on page 16.

**Mr Peters:** I know, and that's where it came from, page 16. Anyway, I'll be looking forward to your response.

**Mr Dunlop:** Yes.

**Mr Peters:** I just want to follow up a bit on what Mr Chudleigh said because I think his comments as far as agriculture are important. Ontario is the grain basket, the bread basket of Canada. We are truly a leader when it comes to agriculture. I really would encourage this ministry to step up its efforts at working with the federal government in fighting the subsidy wars we're into. We need to support our farmers, there's no doubt about that, but as Mr Chudleigh rightfully pointed out, farmers don't want to receive them. We would rather see those dollars allocated in other areas. It's incumbent on Ontario to be a leader, to work with the federal government in fighting these subsidy battles. I would really encourage you to bring that message back to the Premier and the Minister of Agriculture, to fight these battles.

Mr Chudleigh made some excellent points that need to be pursued, and it's incumbent on you as the parliamentary assistant to help. You represent a rural riding as well. You made that point. Collectively, in many ways it's a non-partisan issue, but we need this province to show true leadership and step up its efforts with the feds at putting an end to this subsidy battle we're facing.

**Mr Dunlop:** I have to agree with you that it is a non-partisan issue. We've heard your comments here today, and Mr Chudleigh's. He brought up, as you said, some excellent remarks. He pointed out that there probably is a stronger role here for this ministry. However, I know from talking many times to Minister Johns that she's very concerned about this and has been very active as well in our government caucus. She speaks to us on a regular basis about our concerns with agriculture, trying to resolve some of the issues, and we always respond, "The American farm bill." We hear this over and over again from our friends the corn producers and the soybean producers.

**Mr Peters:** It's in the latest issue of the Ontario Corn Producer again.

**Mr Dunlop:** I haven't seen that particular copy, but I'm sure it's in there. It's something we take very seriously and I will pass that on to the Premier.

**Mr Peters:** I'd like to know what the position of Ontario is when it comes to supply management. What role does the province play at any World Trade Organ-

ization discussions? Is the province working with the federal government at defending the interests of supply management in Ontario? We know dairy farmers are under attack right now at the World Trade Organization. What role do we play provincially in World Trade Organization talks?

**Mr Dunlop:** I'm going to ask Greg if he could maybe comment on this. He's more up to date on it than I am.

**Mr McFadyen:** You're quite right that supply management is an issue in the World Trade Organization talks as well. Oftentimes when Canada raises the issue of subsidies with the United States, the issue of supply management is raised by the US. The issue of supply management has gone to WTO panels and has been upheld as consistent with the WTO. I think at this point, Ontario feels that the federal government is doing a reasonably good job in representing the interests of producers in those sectors.

**Mr Peters:** I take it from those comments that Ontario is supportive of supply management?

**Mr Dunlop:** I can't speak on behalf of what the minister herself is saying at different meetings and in her meetings with Mr Vanclief, but from our perspective everything should be open for negotiation. I think it's safe to say that the dialogue has always been good between our federal and provincial Ministers of Agriculture when we're dealing with either supply management or the issues facing farmers, not only in Ontario but across the country. Of course a lot of that goes right back to what Mr Chudleigh and yourself have both mentioned, the American farm bill.

**Mr Peters:** I think it's important to be putting it on the record that we need to show our unequivocal support for supply management.

**Mr Dunlop:** I appreciate your comments on that.

**Mr Peters:** On the question of railways, I recognize railways are a federal issue. I have a rail line from St Thomas almost to Welland, the Canada Southern Railway, that CN and CP are abandoning. You've got rail lines in your own riding that I know you've seen abandoned. There have been efforts made to acquire rail lines up your way. What role does your ministry play in dealing with initiatives by a private corporation like CN to abandon railways? What role do you play at trying to ensure that these corridors, first, should be preserved as rail land corridors, but at least, secondly, that we land-bank these corridors to keep them intact? Because once they're gone, they're gone. You just sell one piece of a right of way and that's it. Does your ministry get involved in discussions of trying to preserve rail corridors in this province?

**Mr Dunlop:** My understanding is no, we have not. Again, it's a broad issue, but the corridors have been done locally in Ontario by the Ministers of Transportation. I understand. I know exactly what you're saying.

**Mr Peters:** I would really urge the Premier to look at this because it's a huge transportation issue. As a country, we're going backwards. Other countries are putting railways in and we're sitting back provincially and federally and letting CN and CP rip out rail line after rail line. I think it's an issue that should rise to some prominence within your ministry.

**The Chair:** Mr Peters and Mr Dunlop, I don't want to make assumptions about the average speed of MPPs getting to the vote, so I think we'll allow ample time. We'll close off at this juncture, with another 10 minutes approximately to the opposition party when we resume. We're now adjourned.

*The committee adjourned at 1750.*







## CONTENTS

Wednesday 6 November 2002

<b>Ministry of Intergovernmental Affairs.....</b>	<b>E-311</b>
Mr Garfield Dunlop, parliamentary assistant to the Minister of Intergovernmental Affairs	
Mr Ross Peebles, Deputy Minister of Intergovernmental Affairs	
Mr Craig McFadyen, director, office of strategic intergovernmental advice	
Mr Kevin Owens, chief administrative officer, administrative coordination	

### STANDING COMMITTEE ON ESTIMATES

#### **Chair / Président**

Mr Gerard Kennedy (Parkdale-High Park L)

#### **Vice-Chair / Vice-Président**

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gilles Bisson (Timmins-James Bay / Timmins-Baie James ND)

Mr Ted Chudleigh (Halton PC)

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gerard Kennedy (Parkdale-High Park L)

Mr Frank Mazzilli (London-Fanshawe PC)

Mr Norm Miller (Parry Sound-Muskoka PC)

Mr John O'Toole (Durham PC)

Mr Steve Peters (Elgin-Middlesex-London L)

#### **Clerk pro tem / Greffière par intérim**

Ms Susan Sourial

#### **Staff / Personnel**

Ms Anne Marzalik, research officer,  
Research and Information Services



**Legislative Assembly  
of Ontario**

Third Session, 37<sup>th</sup> Parliament

**Assemblée législative  
de l'Ontario**

Troisième session, 37<sup>e</sup> législature

**Official Report  
of Debates  
(Hansard)**

**Tuesday 19 November 2002**

**Journal  
des débats  
(Hansard)**

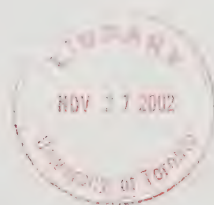
**Mardi 19 novembre 2002**

**Standing committee on  
estimates**

Ministry of  
Intergovernmental Affairs

**Comité permanent des  
budgets des dépenses**

Ministère des Affaires  
intergouvernementales





### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Copies of Hansard**

Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

### **Exemplaires du Journal**

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.



LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON  
ESTIMATES**

**COMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES**

Tuesday 19 November 2002

Mardi 19 novembre 2002

---

*The committee met at 1539 in room 228.*

**MINISTRY OF  
INTERGOVERNMENTAL AFFAIRS**

**The Vice-Chair (Mr Alvin Curling):** Let me call the standing committee on estimates for the Ministry of Intergovernmental Affairs to order.

**Mr Gilles Bisson (Timmins-James Bay):** On a point of order, Chair: There's agreement between the parties that we deem the estimates for this particular ministry, intergovernmental affairs, to be done, do the votes today, come back tomorrow at 4:30 and start with northern development and mines.

**The Vice-Chair:** Is that what I am hearing, that we do have an agreement? There seems to be agreement, so at this time I would then have to ask that we call the vote on intergovernmental affairs.

Shall vote 1501 carry? Carried.

Shall vote 1502 carry? Carried.

Shall the estimates of the Ministry of Intergovernmental Affairs carry? Carried.

Therefore, shall I then report the estimates of the Ministry of Intergovernmental Affairs to the House? I seem to have total agreement here on the votes and to report it to the House, so let it be.

The committee stands adjourned until 4:30 tomorrow.

*The committee adjourned at 1540.*

## CONTENTS

Tuesday 19 November 2002

Ministry of Intergovernmental Affairs..... E-331

### STANDING COMMITTEE ON ESTIMATES

#### **Chair / Président**

Mr Gerard Kennedy (Parkdale-High Park L)

#### **Vice-Chair / Vice-Président**

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gilles Bisson (Timmins-James Bay / Timmins-Baie James ND)

Mr Ted Chudleigh (Halton PC)

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gerard Kennedy (Parkdale-High Park L)

Mr Frank Mazzilli (London-Fanshawe PC)

Mr Norm Miller (Parry Sound-Muskoka PC)

Mr John O'Toole (Durham PC)

Mr Steve Peters (Elgin-Middlesex-London L)

#### **Substitutions / Membres remplaçants**

Mr Garry J. Guzzo (Ottawa West-Nepean / Ottawa-Ouest-Nepean PC)

#### **Clerk / Greffier**

Mr Trevor Day

#### **Staff / Personnel**

Ms Anne Marzalik, research officer,  
Research and Information Services



CA20N  
XC26  
-E77



E-17

E-17

ISSN 1181-6465

## Legislative Assembly of Ontario

Third Session, 37<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Troisième session, 37<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 20 November 2002

# Journal des débats (Hansard)

Mercredi 20 novembre 2002

**Standing committee on  
estimates**

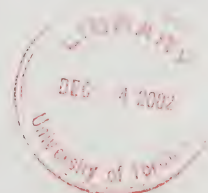
Ministry of Northern development  
and Mines

**Comité permanent des  
budgets des dépenses**

Ministère du Développement du  
Nord et des Mines

Chair: Gerard Kennedy  
Clerk: Trevor Day

Président : Gerard Kennedy  
Greffier : Trevor Day



### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Copies of Hansard**

Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

### **Exemplaires du Journal**

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.



## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Wednesday 20 November 2002

Mercredi 20 novembre 2002

*The committee met at 1630 in room 151.*

**Clerk of the Committee (Mr Trevor Day):** Honourable members, it's my duty to call upon you to elect an Acting Chair. Are there any nominations?

**Mr Ted Chudleigh (Halton):** Why don't we have Mr Brown do it?

**Clerk of the Committee:** Are there any further nominations? I declare nominations closed, and Mr Brown as Acting Chair of the committee.

MINISTRY OF NORTHERN DEVELOPMENT  
AND MINES

**Mr Gilles Bisson (Timmins-James Bay):** On a point of order, Mr Chair: I believe we have unanimous consent that, given the time we have left for the Ministry of Mines, we would go 25 minutes for the minister and 25 for each opposition party, rather than 30, 30 and 30.

**The Acting Chair (Mr Michael A. Brown):** Agreed? Agreed. We are here today for consideration of the estimates of the Ministry of Northern Development and Mines. We will commence with vote 2201, item 1.

I'd like to welcome the Minister of Northern Development and Mines and staff. We are always pleased to have you here. You have, as you heard, 25 minutes.

**Hon Jim Wilson (Minister of Northern Development and Mines):** Mr Chairman and members of the committee, I am joined at the table here by my Deputy Minister, Cam Clark, and Don Ignacy, our chief administrative officer.

I am honoured today to speak to the 2002-03 estimates committee on behalf of the Ministry of Northern Development and Mines.

I would like to point out that it has been eight long years since a Minister of Northern Development and Mines has addressed this eminent body called the estimates committee. Since that time, much has transpired at the Ministry of Northern Development and Mines. For that reason, I have been looking forward to using this opportunity to illustrate how over the last few years MNDM has evolved into one of the most effective, dynamic ministries in the Ontario government.

I want to begin by reminding the committee that the Ministry of Northern Development and Mines is the only regional ministry in the government of Ontario. As such, it plays a central role in many issues on behalf of its northern stakeholders, and I would not be exaggerating if

I said that in Northern Ontario, MNDM is all things to all people.

Since 1996, the ministry has been significantly strengthened to focus on delivering front-line services in the north. Since that time we have also been much more active at Queen's Park, influencing decisions for northern Ontario that make sense in the north.

We have improved and stimulated flows of ideas and concerns from our northern stakeholders to my predecessor ministers Chris Hodgson, Tim Hudak, Dan Newman and to me. Those concerns were and are being brought directly and forcefully to the Cabinet table.

As a result, today MNDM is leading the charge for prosperity in the north with strategic plans for economic development.

Furthermore, we are meeting the highest standard of excellence in improving an already superlative investment climate for mineral development through the provision of valuable geological information and effective administration of Ontario's Mining Act.

Therefore, I welcome this opportunity to outline our recent achievements and reiterate our commitments to continue strengthening northern Ontario and the provincial minerals sector.

Our mandate: we at the Ministry of Northern Development and Mines share a vision of the north. We envision a northern Ontario driven by a vibrant economy. We see a flourishing northern economy that combines the strengths of resource industries with the emerging opportunities of a knowledge-based economy. And, we're working with northerners to achieve that vision.

We're working with northerners to build a solid physical and telecommunications infrastructure that attracts investments and helps northern Ontario businesses compete successfully in world markets. We're working with northerners to build prosperous, safe communities where residents enjoy a high quality of life and access to quality health care and education.

We're working with northerners to achieve those goals through partnerships, strategic investment and economic strategies that address the unique challenges and conditions of the north. Our vision of excellence also extends to the mineral development sector.

We foresee a provincial minerals sector that is globally competitive and sustainable. We are fostering a competitive and sustainable minerals sector through progressive mining legislation. We are enhancing our invest-



ment climate by the fair and efficient administration of Ontario's mining lands.

We are attracting mineral developers with our quality client service and state-of-the-art geological mapping and data. Together with our stakeholders in the minerals sector, we are achieving levels of mineral investment and production that are unequalled in Canada and among the highest in the world. Together we've achieved all of that with environmentally responsible exploration and mining activities which protect Ontario's natural heritage for future generations. A vibrant economy and a competitive minerals sector will provide well-paying jobs, opportunities for youth and a solid foundation for prosperity throughout northern Ontario.

Our ministry is one of the smallest ministries in the Ontario government, yet the scope of our work is pervasive. We touch the lives of all northerners in some form or fashion. Our work is important to the continued economic development of the north and the growth of Ontario's mineral development industry.

Small as we are, MNDM is, as government operations go, efficient, responsive and nimble. The proof lies in our achievements. I'd like to outline for you now how effective we are in assisting northern stakeholders to achieve our shared vision of a prosperous northern Ontario.

First I'll speak about the Northern Ontario Heritage Fund Corp. I've alluded to the importance we at MNDM attach to working with our stakeholders in Ontario's urban, rural and remote northern communities. We respond to regional and community priorities. Out of that close collaboration we foster locally relevant, locally driven economic development solutions. We identify and promote opportunities for growth and investment.

Nowhere is that more evident than in the activities and success of the Northern Ontario Heritage Fund Corp. The NOHFC is an integral part of the government's approach to building strong northern economies. After doubling the fund's annual allocation to \$60 million for a five-year period in the 2000 budget, we announced details of an expanded, refocused mandate in early 2001.

The NOHFC's new program criteria were developed in close consultation with our northern stakeholders. The following eight new programs, aimed at responding to the needs expressed by community leaders, have since been introduced. They are northern health care assistance; expanded cellular telephone service; capital assistance for the agricultural sector; northern trails; capital assistance to enhance drinking water protection in northern Ontario; capital assistance to enhance northern communities; far north assistance; and economic diversification assistance.

Since October 1996 the Ontario government, through the NOHFC, has contributed \$389 million to some 1,130 projects. Furthermore, it has generated an additional \$900 million from project partners. These projects have created an estimated 15,650 jobs in northern Ontario.

In order to give you some idea of the very positive impact that the NOHFC is having upon our northern

stakeholders, I'd like to mention some of the more notable recent projects in the northwest. They include:

- the expansion of the Thunder Bay airport in partnership with Confederation College aviation centre;
- the installation and expansion of cellular telephone service along Highways 11 and 17 from Hearst to Kenora;
- the purchase and installation of a CT scanner at Kenora's Lake of the Woods District Hospital;
- the major expansion of three industrial sites in the Kenora area, covering 245 acres of land in the Airport Road area;
- the purchase of fire and emergency equipment for the township of Ear Falls; and
- the implementation of a geosciences mapping project in the Lake Nipigon region involving the Ontario Prospectors Association, Lakehead University and area communities that will attract mineral investment to the area and generate new economic development opportunities.

Some notable projects in northeastern Ontario include:

- repairs to the Sturgeon Falls sewer plant, as well as to the first and second phases of the Cache Bay road storm sewer project;
- the establishment of Hockey Heritage North, Kirkland Lake's newest tourism project which pays tribute to the achievements of Canadian hockey players, coaches and builders;
- the development of Dynamic Earth, Science North's new earth sciences tourist attraction, which will showcase the region's geological, industrial, and environmental past as well as profile its green future;
- the construction of a manufacturing facility at the Moose Deer Point First Nation near Parry Sound designed to produce plastic components through an advanced injection moulding process;
- the construction of a new communications centre in Sault Ste Marie to house the Sault Ste Marie innovation centre and a new call centre, creating up to 600 jobs;
- the expansion of a busy primary road linking downtown Sudbury to the communities of Levack, Onaping, Dowling, Chelmsford and Azilda; and
- upgrading the electric power distribution system and other improvements at the former Canadian Forces Base North Bay, now the site of an industrial park that has attracted four aerospace companies and hundreds of jobs.

So you can see how effective the role of the NOHFC is throughout northern Ontario.

#### 1640

Northern highways: our northern stakeholders will tell you that highways are their economic lifelines. Quite rightfully, they view prosperity as being inextricably tied to highway infrastructure. We agree and are committed to ensuring that this network continues to be a catalyst for the growth and development of strong communities in northern Ontario.

That's the reason for the unprecedented investments we have been making since 1995 in its rehabilitation and

expansion. Record funding has been the one constant theme in MNDM's northern highways program over the last six years.

The northern Ontario highway network reflects the vastness of the region. It consists of more than 11,000 kilometres of highway, roughly equal to the distance from Toronto to Whitehorse and back. It carries people, resources and products among northern communities, between northern and southern Ontario, across Canada and into the United States.

In 2002-03, we've invested \$255 million in improving our northern highway system to promote economic growth and prosperity in communities across the north. Improved highways will also promote the safe and efficient movement of people and goods, and thus encourage businesses to grow, to create jobs and a better quality of life for northerners.

To illustrate, I'd like to just list for you today a few of the many notable highway accomplishments we've sponsored this fiscal year. They include:

- the continued four-laning of Highway 69 south of Parry Sound, with budgeted investments of \$54 million. We've opened four kilometres of new four-lane highway south of Parry Sound;

- the continued four-laning of Highway 11 from North Bay to Huntsville, with budgeted investments this year of \$34 million. This year, we opened up the eight-kilometre Trout Creek bypass and a 13-kilometre section from Melissa to Emsdale;

- the four-laning of Highway 17 east of Sault Ste Marie, with budgeted investments of almost \$15 million;

- improvements to Highway 101 from Matheson westerly, worth more than \$13 million;

- improvements to Highway 11 east of Kapuskasing, worth more than \$10 million;

- improvements to Highway 17 east of Blind River, worth more than \$8 million;

- improvements to Highway 502 south of Dryden, worth more than \$5 million;

- improvements to the Oskandaga River Bridge on Highway 11/17 west of Thunder Bay, worth more than \$5 million;

- improvements to Highway 17 west of Dryden, worth more than \$10 million.

We continue to invest in the rehabilitation of hundreds of kilometres of roadway, the repair and reconstruction of several bridges and the addition of passing lanes in critical areas across the north, as well as the ongoing four-laning of the most travelled sections of Highways 11, 17 and 69. They are our priorities.

Furthermore, we continue urging the federal government to invest more aggressively in the expansion of the Trans-Canada Highway.

At the end of this fiscal year, our government will have invested more than \$1.6 billion since 1995 to improve the northern highway system—more than any previous government. This record level of investment reflects the high priority we attach to the maintenance of

a safe and efficient highway system in the north. I think it speaks volumes of our commitment to northern Ontario.

Ontario Northland: on another transportation front of special significance to stakeholders in northeastern Ontario, MNDM continued to implement the service improvement strategy announced by the Ontario Northland Transportation Commission in December 2000.

Based on recommendations in a report commissioned by the Ontario Northland Transportation Commission board, a two-phase strategy was initiated. Phase one involved exploring divestiture options for ONTelcom, reorganizing of marine operations and enhancements to motor coach services, as well as to the Little Bear and Polar Bear Express train services. Phase two explored options for alternative delivery of the ONTC's freight and passenger rail services and the divestiture of the Cochrane Station Inn.

On April 1, 2002, the Owen Sound Transportation Co Ltd underwent a change in governance. Formerly a wholly owned subsidiary of the ONTC, the OSTC is now a separate operational enterprise agency of the province of Ontario. The OSTC operates a seasonal vehicle and passenger ferry, the MS Chi-Cheemaun, between Tobermory and South Baymouth on Manitoulin Island, as well as the Pelee Island ferry service under contract to the Ministry of Transportation.

I am pleased to report that we announced on Friday, October 18, that the ONTC was entering into negotiations with Canadian National Railway for the acquisition of ON Rail. The announcement followed a formal request for proposals, a process that was carefully managed and properly run. It resulted in one internal and four external proposals being reviewed. The CN proposal was judged the one that most closely met our stringent criteria in respect of the service improvement strategy for ONTC rail services. While we are negotiating with CN, I want to stress that no final decisions have been made with respect to the divestment of ONTC assets.

There has been one constant element in the service improvement exercise since it was launched in December 2000, and that has been our assurances to stakeholders that service will indeed improve. That's what stakeholders have been demanding for years. We will be delivering the improvements they have been demanding and the improvements that they deserve.

Our stakeholders will have continued access to quality telecommunications and transportation services. Any agreement we reach will support and enhance economic development in the region. Any agreement we reach will protect current employment and foster growth of new jobs. It will also ensure competitive pricing for customers. It will maintain or enhance current service levels.

Finally, if rail or other services are sold, the taxpayers of Ontario will receive fair value for those assets. I want to remind you that the negotiated settlement is subject to cabinet review before it can be adopted.

Just turning to the globally competitive minerals sector, our northern stakeholders and MNDM concur that the future of the region rests on a globally competitive



northern economy. In the provincial minerals sector, we are ensuring Ontario's regulations, policies and programs respond to changing economic conditions around the world. Quite frankly, the ministry, prior to my arrival and I hope since my arrival, has been very successful at this.

In 2001, the conditions we created for a thriving mineral sector resulted in Ontario being ranked as the world's most attractive jurisdiction for mining and exploration by the Fraser Institute's annual survey of mining companies. The Ontario government continues to be a world leader in developing policies and initiatives to maximize mineral investment and exploration and support a healthy, vibrant and sustainable minerals sector.

Proof of our effectiveness was evident last year when Ontario's exploration expenditures increased, despite a decline at the national and international levels. This increase helped Ontario become the leading destination for exploration expenditures in Canada.

We are enhancing our status as a world-class investment jurisdiction by adopting solid measures, such as tax reductions, reduced regulatory red tape, enhanced client service and expanded geoscience databases that support our mining industry.

Recently, we introduced a flow-through tax regime to encourage investment in mineral exploration. In addition, the province reduced the mining tax rate by 50%, reduced corporate income tax for resource companies and granted a 10-year tax exemption and reduced tax rates to encourage the development of new mines in remote parts of the province.

However, one cannot stress enough the importance of providing quality information to our clients. Consider the work of our Ontario geological survey. The Ontario geological survey at MNDM consists of a geoscience program and a resident geologist program. Today, I'd like to single out the efforts of the geoscience program.

Based out of Sudbury, it is responsible primarily for the collection, interpretation and dissemination of geological, geochemical and geophysical data. Last year, the OGS mapped 10,000 square kilometres of ground in its base operations. The information it offers yields important clues as to the location of new ore deposits that will create wealth in Ontario.

Our staff identified a number of extremely interesting and new PGE or platinum group element hot spots in the Lake Nipigon area, around Lac des Iles west of Lake Nipigon, as well as East Bull Lake, Agnew Lake, Dana Lake and Seymour Lake, north of the Nipigon basin.

Staff also noted significant potential for diamond discoveries in the Kirkland Lake-Temagami corridor, Wawa, Attawapiskat, the James Bay lowlands region and along the northern Ontario-Manitoba border.

The OGS also found strong exploration potential for a wide variety of minerals in southern Ontario. These include vermiculite prospects north of Peterborough, wollastonite north of Kingston and occurrences of tantalum, titanium, mica and calcite throughout the southeastern part of the province—not bad for a guy with a degree in theology.

## 1650

Furthermore, the OGS concluded the three-year program of geophysical, geochemical and geological surveys known as Operation Treasure Hunt. I'm going to wind up here, obviously. Operation Treasure Hunt was very successful. It was a \$29-million program, the goal of which was to stimulate exploration for mineral deposits such as diamonds, gold, copper, zinc and nickel.

This is the most aggressive geoscience initiative of this complexity ever undertaken by a government in Canada. This is also the first time in a decade that such extensive airborne surveying has been done in Ontario. Operation Treasure Hunt has led to a significant increase in mineral exploration. Results will help prospectors and mineral explorationists select exploration targets more effectively and narrow their search for the new mineral deposits that will become tomorrow's mines. Operation Treasure Hunt has yielded an impressive array of products.

I just want to touch on northern tourism. Actually, I'll skip that and go to quality health care. I just want to mention a little bit about that before winding up here because I see my time's almost up.

*Interjection.*

**Hon Mr Wilson:** Five minutes?

In our travels across the north time and time again, the members who serve the north and those of us who have the privilege of serving the north in the ministry capacity, hear about the topic of health care. I want you to know that we've been doing our part, in addition to the Ministry of Health of the province of Ontario, to improve the health status and the health resources made available to the people of northern Ontario.

Of course, we're very proud of having played a role in the made-in-northern-Ontario medical school that was announced that will have two campuses, one in Sudbury and one in Thunder Bay. It's the first time a medical school has been created in 30 years.

**Mr AL McDonald (Nipissing):** It should be "in North Bay."

**Hon Mr Wilson:** It should be "in North Bay." Now, don't get that on the record.

The medical school, as you know, is developing a business plan and it's looking for a location. It's hired its first dean, Dr Roger Strasser, and I think it's going to be a great tool—I wish I had thought of it during my time as Minister of Health—to attract doctors to the north, to keep them in the north and to help with youth out-migration, which is really my number one concern as minister. When we saw the most recent federal census data, we were very concerned about the extent of youth out-migration in the north. Certainly having a medical school will go a long way to training those professionals and keeping those professionals in the north.

Just to let you know in winding up, the heritage fund has also contributed more than \$43 million to 242 projects for the purchase of medical equipment and renovations in small hospitals and community health centres throughout the north. I want to commend the



board prior to my arrival, my predecessors, for thinking up this special medical equipment and renovations program. Many of these hospitals, due to the relatively small population in the areas that they serve, simply can't afford to raise the money from the communities to the extent of fundraising that can be afforded in many communities in the south. It's just not there in the north. The heritage fund was very pleased to help out in that regard and I think it really was a new area for the heritage fund and well worth the taxpayers' and northerners' money.

With that, Mr Chairman, I will wind up my remarks and I thank you for your patience.

**The Acting Chair:** We will move, then, to the official opposition. I think there's an agreement that you're going to use five minutes and then—

**Mr Rick Bartolucci (Sudbury):** Five or so.

**The Acting Chair:** Five or so, and then we'll defer to the New Democratic Party and come back to the official opposition.

**Mr Bartolucci:** Minister, it's good to have you here at estimates. We're going to spend my little time with you talking about Highway 69, obviously. It's probably the most important issue in our community with regard to safety in travelling to Toronto. I'd like to know why you haven't applied to put Highway 69 as the province's number one priority on the Canada strategic infrastructure project.

**Hon Mr Wilson:** That question would be more appropriate to the ministers in charge of making that list up. All I can tell you is that it's obviously been a huge priority for this government. This construction of Highways 69 and 11 represent the largest megaprojects ever undertaken in northern Ontario. The fact that you had a Premier from North Bay and a finance minister—

**Mr Bartolucci:** I want to know why you haven't applied—

**Hon Mr Wilson:** I'm showing you what a large priority it was. The finance minister was from Parry Sound-Muskoka, Mr Miller's riding. Back in 1995 they actually started four-laning these highways, starting at each end. It had never been done before in the history of Ontario.

We are continuing in our commitment. The government lives by its motto: "A promise made, a promise kept." We're doing the high-traffic areas first and we're moving forward in a methodical but determined way to some day, hopefully soon, finish the four-laning of Highways 69 and 11.

**Mr Bartolucci:** I return to the question. Since you're taking credit for northern highways and since you think you take responsibility for northern highways, let me phrase it a little bit differently. I want to know why your government hasn't placed Highway 69 as the number one priority for multi-laning from Sudbury to Parry Sound in an application to the Canada strategic infrastructure project.

**Hon Mr Wilson:** It's not my area to fill out those applications. It astounds me how—as I said to reporters recently, we'd have more money for 69 and 11 if they

would pay their share of the Trans-Canada Highway, Highway 17. You'd think your federal cousins, the Liberals in Ottawa, could look after one piece of highway in the province of Ontario. They don't even do that. They give us absolutely nothing. They spent \$1 million in the last 19 years on that highway. We've spent tens of millions of dollars on that highway and we're four-laning and adding passenger lanes and safety enhancements to that highway. If they would at least live up to agreements we have now, at least live up to funding the one piece of highway that they actually have to look after in this province, we'd certainly have a lot more money available for Highways 69 and 11.

**Mr Bartolucci:** The federal government has already committed to being a partner as late as, or as early as, whatever way you want to define it, in the federal House today. In a question, the federal government said they would certainly be coming to the table with a 50-50 proposition under this program if in fact the Harris-Eves government and its ministers would apply and put Highway 69 as the number one priority.

So I return for the third time, Minister: why has your government not applied to this program in order to complete this project?

**Hon Mr Wilson:** Well, that's news today.

**Mr Bartolucci:** It is news.

**Hon Mr Wilson:** You missed the mayor of Sudbury, Jim Gordon's, comment, his challenge. I'm glad to see you're taking the mayor's challenge seriously. He wants \$75 million from the federal government to help the completion of the four-laning of 69. He made that challenge to the federal government. So what you're telling us today is news you've obviously gotten in the last couple of hours of the question period. Congratulations. The federal Liberals are finally listening to the mayor of Sudbury.

**Mr Bartolucci:** The federal Liberals need you to come to the table.

**Hon Mr Wilson:** We've been at the table.

**Mr Bartolucci:** You have not been. You have not applied that—

**Hon Mr Wilson:** Who's been paving the road and four-laning it in a megaproject way since 1995? It sure as hell hasn't been the federal Liberals.

**Mr Bartolucci:** Minister, with all due respect to your lack of ability or knowledge when it comes to Highway 69, you have not put in one penny in multi-laning Highway 69 from Sudbury. You know that and so does the community know that. So let me bring you back to the question. Why have you not applied to the federal government for funding the four-laning of Highway 69 from Sudbury to Parry Sound?

**Hon Mr Wilson:** As you know, we have spent money and we're committed to spend more money on four-laning exactly that portion of the highway. We're going to continue with the environmental studies, with the property acquisition, with everything that needs to be done, to ensure that it is done. If there is an opportunity now from the federal government for their involvement, I

more than welcome it and I thank Jim Gordon for taking the lead on that.

**Mr Bartolucci:** First of all, Minister, let me tell you it was Crash 69 who met with Allan Rock; it was Crash 69 who had ongoing meetings with Allan Rock. We sent letters to your Premier and he has yet to respond to them. However, having said that, we don't care who takes the credit for it or who tries to take the credit for it. We just want it done.

So would you please tell me, then, is four-laning Highway 69 from Sudbury to Parry Sound your number one priority for the Canada strategic infrastructure project? It's a simple yes or no.

1700

**Hon Mr Wilson:** It's certainly one of our top priorities. I will continue to advocate, as I know our other northern members will, to make sure we fulfill that commitment.

**Mr Bartolucci:** Then have you made application to the federal government?

**Hon Mr Wilson:** Again, I'm not the one who makes applications.

**Mr Bartolucci:** You're a minister and you don't know whether you've made application for this federally?

**Hon Mr Wilson:** You just found this out yourself a little while ago.

**Mr Bartolucci:** No, Minister. I want to know, has your government made application, yes or no? You should know that.

**Hon Mr Wilson:** I know the Minister of Transportation has had discussions with the federal government and so far they haven't put a penny in. If you're telling me that in the last two hours they've announced, because they knew you were coming here and somebody asked a backbencher question or whatever the hell they did in Ottawa this afternoon, to make you look good, then fine; I will get that Hansard and I will make sure they pay their \$75 million toward it.

**Mr Bartolucci:** Are you telling me then you're prepared to make an application to the federal government, since you obviously haven't made an application for the number one priority, for this project?

**Hon Mr Wilson:** How would you know whether we made an application? That's confidential between governments and you wouldn't have access to it. You wouldn't even know if we made an application.

**Mr Bartolucci:** You have not made an application. You know that and the ministries know it. Why don't you admit it?

**Hon Mr Wilson:** Under SuperBuild you wouldn't even know, Rick.

**Mr Bartolucci:** Listen, tell us. Have you? I'm asking you the question. Have you made application?

**Hon Mr Wilson:** I've answered your question six or seven times.

**Mr Bartolucci:** You have not. You've not answered it at all.

**Hon Mr Wilson:** Your tone is as cold as always.

**Mr Bartolucci:** Let me talk about high-traffic areas, as opposed to dangerous sections of the highway. You will know, Minister, or at least you should know, if you have any knowledge about Highway 69 at all, that that section between Sudbury and Parry Sound has a remarkably high number of tragedies: 46 in the last three years—your statistics—and 10 so far this year. If you base it on traffic volume, that dangerous stretch of highway is not going to get first priority. Will you commit today, then, to making sure that stretch of highway is your number one priority, because of the number of deaths involved?

**Hon Mr Wilson:** We've set our priorities. You know them very well, and it is on the list. We have other high-traffic areas, including straightening out the S-curve at Estaire that we announced just a few weeks ago. We're doing this as fast as we can. As I said, a project like this takes time to do right. You seem to want to tread on all the property owners' rights. You never talk about that. You mislead, frankly—

**Mr Bartolucci:** Excuse me.

**Hon Mr Wilson:** I withdraw that.

You let on that this can be done overnight. I have a six-kilometre piece of highway and we're in the third year of property acquisition between Collingwood and Wasaga Beach. These things take time. People have rights. They go to court if you try and stampede—

**Mr Bartolucci:** We never want to mislead people, Minister.

**The Acting Chair:** Do not use that word.

**Mr Bartolucci:** Well, he used it.

**The Acting Chair:** He withdrew it, and you will too.

**Hon Mr Wilson:** The fact of the matter is, the process—

**Interjection:** Be a man, Rick. Withdraw that.

**Mr John O'Toole (Durham):** Absolutely. Stand up and be a man.

**Hon Mr Wilson:** The fact of the matter is, the process is moving along and we're putting record amounts of money into it.

**Mr Chudleigh:** On a point of order, Mr Chair: I don't believe the member for Sudbury has withdrawn the inappropriate word.

**The Acting Chair:** Maybe he could clarify. Have you withdrawn that comment?

**Mr Bartolucci:** I absolutely did, when I suggested that he hadn't.

One final question—

**The Acting Chair:** Just withdraw.

**Mr Bartolucci:** I did.

**The Acting Chair:** Straight up.

**Mr Bartolucci:** I withdraw it.

**The Acting Chair:** OK.

**Mr Chudleigh:** Thank you.

**Mr Bartolucci:** One final question: have you entered into any negotiations with the Robinson Huron First Nations people with regard to the four-laning of Highway 69 from Sudbury to Parry Sound?



**Hon Mr Wilson:** I can't comment specifically on the negotiations right now, because they're exactly that, negotiations.

**Mr Bartolucci:** Just say yes or no.

**Hon Mr Wilson:** You know there have been talks going on for a long time, and I can't say any more than that.

**Mr Bartolucci:** I just want to know if you have entered into negotiations. I don't have to know who; I don't have to know where. I just want to know, have you entered into negotiations?

**Hon Mr Wilson:** If it's the transportation estimates you want, you have the wrong minister.

**Mr Bartolucci:** You're the guy who's always making the announcements.

**Hon Mr Wilson:** We make announcements on behalf of everything.

**Mr Bartolucci:** Answer the question.

**Hon Mr Wilson:** If you haven't noticed, the ministry's focus is to act on behalf of 11 different ridings. I feel like the MPP for nine of those ridings, anyway, because we have two good MPPs there. We act on everything from health care to library services to roads to highways to infrastructure to, you name it, tourism. We act across all ministries and I don't know the details of every negotiation that's going on, but I'll be sure to get back you on that particular one.

**Mr Bartolucci:** I'm sure you will. I want to thank you, Minister, for avoiding the answers to all of my questions.

**The Acting Chair:** Thank you. Mr Bisson.

**Mr Bisson:** Welcome to the committee, Minister. I've got a series of questions around mining that I want to ask you, but just very quickly—

*Interjection.*

**Mr Bisson:** Hello, Jim. Can we have you back over here? Thank you.

Just a couple of things quickly before we start on some of the specific questions I have about mining.

I heard you say a little while ago in an exchange with Mr Bartolucci that we as members of the assembly would not have any idea, would not know—and I guess it was inferred information would be blocked if there are any applications for funding between the provincial and federal governments. I hope that's not the case.

As I understand it, we're all duly elected members, we're all honourable members and we have the right to know if applications are made to the feds. In fact, I know of a number of them in regard to SuperBuild. I take it you're not saying in the future the government's going to take the position of not working with opposition members on trying to get the feds to pony up their share of money. I hope not.

**Hon Mr Wilson:** No, but the agreement between the federal and provincial governments, which has nothing to do with me, has been long-standing.

**Mr Bisson:** But you wouldn't try to block that information.

**Hon Mr Wilson:** No, no, I wouldn't try to block any information. We discuss a number of issues, both at the ministerial level and the deputy level. Today, with Mr Bartolucci, is the first time I've heard, anyway—and I'll be checking with the Minister of Transportation—that the feds have any interest in funding Highway 69. So that's news. He obviously had it rigged in the House of Commons this afternoon and that's good for him, but now they'd better be prepared to live up to it. So far, the federal Liberals don't abide by, "A promise made is a promise kept," so their saying something in the House of Commons means nothing.

**Mr Chudleigh:** That's for sure.

**Mr Bisson:** The only point I'm making—

**Hon Mr Wilson:** They broke every promise in their red book, they broke every promise they were making Canadians and I'll believe this one when I see it.

**Mr Bisson:** Listen, I don't want to talk about Liberals. I'm here to ask you questions. Thank you very much.

All I'm saying is that I know as the member representing Timmins-James Bay, being a non-government member I've worked with a number of ministers on SuperBuild, and I'm certainly aware of where applications are at and when we're talking to the feds about them ponying up their side of money. I take it we're not departing from the process we've had up to now, because up to now it has worked fairly well. I just want to put that on the record.

**Hon Mr Wilson:** But as you know, SuperBuild, with the federal infrastructure program, has a very strong—

**Mr Bisson:** Yes, you've got to get the feds onside.

**Hon Mr Wilson:** There's a legal clause that requires joint announcements. They're not to unilaterally be doing it in the House of Commons in the middle of an afternoon just before they know Mr Bartolucci's coming to question period to talk about Highway 69.

**Mr Bisson:** Just another thing on highways: Mr Bartolucci was asking the question, is Highway 69 the number one priority of the government? I agree it is a priority, as it is a stretch of highway that we all agree needs to be improved, no question, but I just want to make a pitch for other highways in northern Ontario.

Parts of my riding don't have roads, let alone highways. My specific question to you is, the Mushkegowuk council from the James Bay area has been working, I believe, through your ministry. There's been some contact. I don't know just to what extent. Just so you know, Mushkegowuk represents all the Cree on the Ontario side of James Bay and they are working with you to try to develop, with the Ministry of Transportation, a plan to look at building a road—never mind a highway at this point; we'll settle for a gravel road, one lane, even, if we can get it—from somewhere on Highway 11 up to Moosonee and eventually working its way up toward the James Bay coast. I'm just wondering if you have any details on that at all.

**Hon Mr Wilson:** There have been I guess three meetings between the deputy and federal officials on far north initiatives and roads are, I will tell you, number one



on that list. Bob Nault and I have had one extensive meeting on this. This was part of the meeting. In fact, I sent him a three-page letter yesterday indicating it's one of the areas where I think we can work co-operatively together. They make a very good case in the far north, particularly in the northern part of your riding, where there are no roads; that's absolutely right. The alternatives are rather expensive in terms of transportation.

**Mr Bisson:** Exactly. I just make the pitch because I know there's been some work. I've worked with Mushkegowuk, your ministry and transportation on that and I know there's some work coming. I'm just making the pitch that there are other roads out there that also need to be built.

The other thing, before I get to the other series of my questions, is, when you talked about Operation Treasure Hunt—I agree with you there was a lot of good stuff that came out of that particular project. One of them, and I don't think we went far enough, was the involvement of the Mushkegowuk Cree again on James Bay. As you know, there was a whole project that was put together where Mushkegowuk Cree were hired and trained to basically do a lot of the sedimentary work along the Albany River and others up on James Bay, and it was quite successful, from what I understand. I'd just make a plug with you, Minister, that we need to take a look at how we can do that even better the next time so we're able to properly set up training programs to assist the Cree to get to know more about how they get involved in the mining field, not only from the work they did under Operation Treasure Hunt but looking at how we're able to train the local Crees to do some of the exploration work and some of the more technical work afterwards. I'm wondering if you are willing to try and set up some sort of program that would assist us in developing the skill sets of the Mushkegowuk Crees and others in northern Ontario to better understand the mining industry so they can become full participants in the activity that's happening up there.

1710

**Hon Mr Wilson:** Again, in discussions we had recently and in my letter to the federal minister Bob Nault yesterday—we talked about this—Dr John Gammon, our assistant deputy minister of the mineral section, has come up with a pretty good idea, I think, in terms of working with First Nations people to help them better understand the benefits, where quality of life could be improved. For instance, he has asked for funding from both our government and the federal government to share in three different videos we'll send out in Native languages and other communications materials. As you know, I and the Attorney General met with First Nations chiefs here just a few weeks ago and had an extensive discussion about, "Hey guys, we can't solve all your treaty problems. I don't have that sort of authority, but we can help improve the quality of life for your people and help create some jobs and do it in an environmentally sensitive way." We'll be having follow-up meetings to that. Any input you have on that, because you're more knowledgeable than I am, is much appreciated.

**Mr Bisson:** There's a motion that will be coming to the House to that effect on December 12. I'll talk to you about that later.

The message I'm bringing to you is that the First Nations people want to participate, but not as observers, and that's their fear. They want to make sure they're able to develop the skill sets in their communities so they can become active participants on those projects. So I commend the idea of doing videos and all that other stuff because that is important, but I think we need to go further. We need to be able to train people so they understand the mining and forestry business and are able to participate. I would argue that from an environmental standpoint it's not a bad thing because we know they are stewards of the environment. Culturally, they come at this from a much different perspective than Europeans. Therefore, I think environmentally it wouldn't be a bad thing.

**Hon Mr Wilson:** Can I just say on that, though, that when the rubber hits the road, I think, as in the example of Atawapiskat and De Beers, the fact that they were able to come to agreements—and I understand that part of the agreement they've come to will be Ontario's first diamond mine, as you know. They are to be commended for that. After quite a few impasses, my understanding is that there will be significant training and significant employment for the First Nations.

**Mr Bisson:** That part is still not resolved, just so you know. I was meeting with the Atawapiskat people on Monday or whatever day it was earlier this week or last week, and there are still some difficulties there. But the ministry did play an active role, and I appreciate that. I recommended that the ministry go up and participate in that, and you did. I think it was extremely useful in being able to bring the parties together.

We only have a little bit of time and I've got a number of questions I want to ask you. The first one has to do with Bill 198. In Bill 198 you've included some changes to the mining tax regime. Specifically, what you've done is that you're allowing for changes to the rate a mine can depreciate, the infrastructure of the mine. Specifically, you've said that in the case of mining assets it's 30%, and 15% for transportation and processing facilities. The first part of my question is, does this represent an increase to the amount they're allowed to depreciate, and by how much? I wouldn't mind a written response on all of this stuff, if you can. Just to put you guys on notice, I want a written response to all of this stuff.

**Hon Mr Wilson:** OK. I'm going to follow up on that. It's an accelerated depreciation, but exactly how much—I'd have to give you an example, probably.

**Mr Bisson:** What I'm looking for specifically is what it was before and what it is now so we can understand what this represents.

**Hon Mr Wilson:** OK.

**Mr Bisson:** The part that got me a little bit puzzled when I looked at it: I can understand why you would do that for future mine development, but I don't understand why you made that retroactive going back to 1988 or

something;. I can't remember the date. You went back something like 12 years. Why did you go retroactive on it? What was the purpose of that?

**Hon Mr Wilson:** The bill preceded my direct involvement but we'll find out for you. I think part of it is the reclamation in some of these mines that is going on.

**Mr Bisson:** What was that? Excuse me, I didn't hear you.

**Hon Mr Wilson:** Mine reclamations were going on, and to recognize that work. If I recall a briefing on it, it was some recognition too of—we haven't quite got to, "The deeper you go, the less tax you should pay," but we're headed in that direction with deeper mines, particularly in the Sudbury region.

**Mr Bisson:** Here's my problem. I can understand from the policy perspective why you would say that we allow a higher write-off on mining equipment and processing facilities and transportation equipment. I can understand why you would do that from this point now to the future. The message you're trying to send is, "Come to Ontario and you'll pay a lesser tax. And hopefully there'll be more activity." Will it happen? That's another debate.

Why make it retroactive? If we're saying to a mine that already exists, already has made the investment, is there and has already created the jobs, why would we do a 12-year retroactivity on the portion of their mining equipment, either processing or mining? Why would be do that?

**Hon Mr Wilson:** I'm not sure that's exactly what we're doing. We're just having a discussion here and your interpretation of it is a little different, perhaps, than what the act says.

**Mr Bisson:** OK. I'm just looking at what you've got in the budget documents, and maybe you're right; maybe we misunderstood. I would like a clarification on that.

I just want to put on the record: if it's a question of giving them a gift for money spent in the past in order to say, "This is a write-off," as an incentive to come to Ontario, I don't see that as a very good investment of taxpayers' dollars. If you're going to talk about incentives from today on, that's how you attract them in. You don't say, "For what happened 12 years ago." That's the point I'm getting at.

Specifically, what I want back from you is a written explanation of what exactly you're getting at. Does that mean to say all of my plant, as far as underground equipment and surface equipment and milling equipment—I get those accelerated write-offs for the retroactivity as well? We need an explanation on that.

**Hon Mr Wilson:** Yes, I agree.

**Mr Bisson:** Do you know—you'd probably agree with me. Very good. We're getting somewhere.

**Hon Mr Wilson:** Well, no. Your interpretation of it is very different—

**Mr Bisson:** Well, it's just the way it comes out in the documents.

**Hon Mr Wilson:** —so I'll have to get back to you.

**Mr Bisson:** OK. Good enough. The other thing I want to know: if it is, for what I suspect it is, or isn't, can you get us what it means as far as how much tax we are going to be rebating based on that announcement? If that bill passes, and Bill 198 I presume will pass—you have a majority—and there's no amendment, how much is the retroactive portion going to cost the taxpayer? That is what I want to know. I know you can't answer that today but I'd like to have an answer to that question.

**Hon Mr Wilson:** Yes, certainly when you go back to the 2000 budget, this bill represents a continuation of the tax relief that we're giving to the sector to keep us competitive, so you asked some good questions. The retroactivity, as I said, is—

**Mr Bisson:** Yes, we need an explanation. So you have basically what we're looking for, and I'd like to get something in response to that.

The other thing is the whole policy about mining and parks. As I understand it, your policy still is what it's been under former governments, which is that there is no mining that happens in parks. Correct?

**Hon Mr Wilson:** Once we created a bunch of new parks, yes, it is. In fact, that was clarified by my predecessor in the Ministry of Natural resources.

**Mr Bisson:** OK. Let's deal with the two different parks: existing parks like Algonquin Park, Kettle Lakes, those provincial parks. The policy is that there is no mining that happens in those parks, no mining activity. Right?

**Hon Mr Wilson:** Yes.

**Mr Bisson:** For the newly created parks under the Living Legacy, it's also the same policy?

**Hon Mr Wilson:** My understanding of it was that if there had been previous claims, they would be recognized, otherwise there's no—

**Mr Bisson:** That's right. There's a grandfathering, and that's where I'm going.

**Hon Mr Wilson:** The wording of the actual agreement is from a going-forward basis. There is to be no mining activity in the actual park areas.

**Mr Bisson:** So in the case of the newly created parks under Living Legacy, if there was a claim that existed, they were grandfathered, as I understand it.

**Hon Mr Wilson:** Yes.

**Mr Bisson:** But you're not allowing new claims to be staked after whatever date you created this. I think it was in March 1999. New claims can't be staked?

**Hon Mr Wilson:** Yes. It's contentious, but that's what it says.

**Mr Bisson:** I know it's contentious. I just want to make sure I understand what the policy is.

Do we know how many claims exist in the newly created parks, in the ones that are still on the drawing board, because some are sort of scheduled to be—

**Hon Mr Wilson:** I can tell you there are 117 Ontario Living Legacy-protected sites that impact on mining lands, so I can't tell you how many—

**Mr Bisson:** Do we know how many claims that means?



**Hon Mr Wilson:** Yes. I know what you're getting at.

**Mr Bisson:** Here's what I'm looking for. Again, what I'd like to have is if you can provide us with a list of how many claims there are inside those 117 newly created areas and where they are. If we could get a map, that would be even better. I don't know if you have that detail.

1720

**Hon Mr Wilson:** Well, if they're staked, they're on the Web site.

**Mr Bisson:** They'd be on the map, eh?

**Hon Mr Wilson:** Yes.

**Mr Bisson:** If you could provide us with all of that stuff, I'd like to know. Is it under ERLIS, or is it under the maps program? Where would you find it?

**Hon Mr Wilson:** I was just looking at it the other day. What the hell was that thing? Maps III or something? It's CLAIMaps II.

**Mr Bisson:** Can you give us the details of where we can get that? Specifically, how many claims do we have that are pre-existing claims that were grandfathered, and where are they? If you have maps to go with that, it would be really appreciated.

That brings me to this question now: if you have a grandfathered claim on a newly created Ontario's Living Legacy park, how do you deal with that if there is mining activity to happen? What's the policy? Do you have a written policy on how that happens?

**Hon Mr Wilson:** Throw that by me again?

**Mr Bisson:** Say you have a grandfathered claim in Ruby Lake park and you have a pre-grandfathered claim. How do you deal with that as a ministry now if the claimholder comes to you and says, "I want to do some exploration or some advance," and they end up finding a mine? How do you deal with that? Is there a policy at the ministry to deal with that?

**Hon Mr Wilson:** It's the same environmentally sensitive approach, for instance, in getting to the staked area or the claim area that they would have had to follow in the past. The idea of the new policy was that there would be no more mining activity in the newly protected area.

**Mr Bisson:** But you grandfathered the claim, so it says to me that eventually somebody can look at those claims, right?

**Hon Mr Wilson:** Well, yes, it's common sense that they're going to have to get there. They're going to have to do it, though, in an environmentally sensitive way. That was supposed to have been the practice—

**Mr Bisson:** That's easily said, but I'm wondering, is there a written policy that has been put out? That's what I need to know.

**Hon Mr Wilson:** I'll ask the deputy to comment on that.

**Mr Bisson:** Can you state your name for the record, please?

**Mr Cameron Clark:** Cameron Clark, the deputy minister.

**Mr Bisson:** Not that we don't know who you are.

**Mr Clark:** The scenario that you're talking about here is when there's a pre-existing claim that's either within or adjacent to one of the—

**Mr Bisson:** No, in. We're talking about in at this point.

**Mr Clark:** OK, so surrounded by—

**Mr Bisson:** Surrounded by the park.

**Mr Clark:** They would have to go through the same approval. This is a business-as-usual scenario, so they would have to go through the same approval process they would have for establishing a mine on crown land. I think you're also referencing the fact that there are access issues that might have to be addressed in accessing that claim or group of claims in the kind of situation you're talking about. In doing so, they would once again have to go through an approval process that would—

**Mr Bisson:** But is it the same process for a claim outside of a park? I would think there would be a different process; you would have a more stringent process because it's in a protected area. I just assumed that's what you would do.

**Hon Mr Wilson:** So far, you can't do anything. We have a number of companies lined up saying, "We can't lay a pipe; we can't do anything," so it's so far been a much more stringent process because nothing's been done.

**Mr Bisson:** So you're saying the claimholder still holds title to the claim but they can't do anything.

**Hon Mr Wilson:** The complaints are coming in and it's very difficult in the few cases where they've tried to do something. That's the way it was meant to be: to be difficult, I guess, in terms of making sure they don't mess up the park.

**Mr Bisson:** I think a lot of people would agree with you on that. There needs to be a balance between—anyway, I don't have a lot of time so I don't want to get into that.

I want to be clear here: if a person has title to a claim that was pre-existing and grandfathered in the March 1993 announcement, does that mean that person then cannot develop that claim, can't work on that claim and can do nothing on that claim? I think that's what you just said.

**Hon Mr Wilson:** No, they can, but we had the case where some people gave up their claims and then sued us in Small Claims Court for the expenses because they figured they'd never get into their claim once it was surrounded by a protected area. You know that very well. It was in the media.

**Mr Bisson:** Yes. So you're saying basically that they couldn't do development. That's what I'm hearing you saying.

**Hon Mr Wilson:** Yes.

**Mr Bisson:** OK, that's what I thought.

**Hon Mr Wilson:** Yes. That's how that piece ended.

**Mr Bisson:** OK.

**Hon Mr Wilson:** So it's a case-by-case basis and the idea is to keep the protected area pristine.



**Mr Bisson:** Is there not any kind of written-down policy on how to deal with this, or is it—I would have to imagine there would be some sort of policy written somewhere, and if there is, can I get a copy of it?

**Mr Clark:** Normally what would happen in instances like this is that the proponent, the person who wanted to develop the property, would obviously have to go through an approval process, and that would mean working through the Ministry of Northern Development and Mines, which would act on their behalf to identify the various approvals they would have to receive from other ministries, including the Ministry of the Environment and the Ministry of Natural Resources.

**Mr Bisson:** But the question specifically, with all respect, is, is there a written policy on how to deal with these grandfathered claims?

**Mr Clark:** Not specifically.

**Hon Mr Wilson:** But Gilles, let's not leave the impression that there's no policy. It's the same policy and process under the previous acts—

**Mr Bisson:** As any other claim, except you're saying no mining in parks, so therefore you can't do it.

**Hon Mr Wilson:** It's just that when they go to look at sensitive areas and that, they'll take more into consideration than they did in the past.

**Mr Bisson:** But I'm understanding what you say means that you'd follow the regular policy that's set out for any other claimholder except that the "no mining in parks" policy would basically stop that from happening. That's what you're saying, right?

**Hon Mr Wilson:** It has been in some cases; it's a work in progress, though. Each one that comes forward in the future will be handled on an individual basis.

**Mr Bisson:** Has there been any mining activity on any of these old claims, that we know of? Can you look that up and let me know and give me the list? The specific question is, has there been any basic or advanced exploration done on any of these grandfathered claims? If you can provide me with a list of where they are, and how many, all that stuff.

Forest reserves inside these same parks—

**Hon Mr Wilson:** There are thousands of prospectors out there.

**Mr Bisson:** Oh, I understand. We both understand. I'd just like to get—

**Hon Mr Wilson:** You don't want us to give you a list of—

**Mr Bisson:** Well, it's pushing a button. It will come out of the computer; no big deal. Or at least point us in the right direction.

We all get these. These are quite handy, I must say, the forest management plans and stuff that are brought forward. This particular one is put out by your ministry, and it deals with the newly created parks. There was something in here that I thought was rather interesting. This particular case—I just use this one for an example—is the Spanish River Valley signature site. If you take a look at the newly created park under OLL, there are areas in there that are put down as forest reserves. Does that

mean what it says in the title: this is only for taking out trees? Why would we have done that? What's the rationale there?

**Hon Mr Wilson:** That's an MNR document, so I'll ask my deputy to comment on that.

**Mr Bisson:** It's living legacy stuff, though.

**Hon Mr Wilson:** I know, and we advocate for all sides—

**Mr Bisson:** I'm coming to something in your ministry.

**Hon Mr Wilson:** —and MNR has a very clear side on this, though, and that's the protection side. We advocate on all sides of it.

**Mr Bisson:** Let me get to my question, because I'm running out of time. Let me not be cute.

**Hon Mr Wilson:** We're not the primary ministry for—

**The Acting Chair:** Mr Bisson, two minutes.

**Mr Bisson:** My question simply is this: is there any possibility of somebody using a forest reserve to do mining as a way of getting around the "no mining in parks" policy? Could that happen? If there's a set-aside inside an OLL park that's a forest reserve and I happen to have a claim on it, or want to stake a claim on it, technically it's outside the park. Does that mean the person can do mining in the park? I'd like to get a written response to that.

**Hon Mr Wilson:** I'll get the deputy to give you a once-over and then we'll have to get a written response.

**Mr Clark:** I'm a little hesitant to get really specific here, because I haven't seen that document and I would want to be very careful about the specifics. However—

**Mr Bisson:** Can I just ask you this, because I've only got a minute left.

**Mr Clark:** I guess my point would be that these areas that have been established as, I think the designation was "forest reserve," in a lot of cases they are in effect parks-in-waiting, because the government hasn't gone through the regulation process. At this time they are withdrawn from staking.

**Mr Bisson:** They're withdrawn from staking. That's what I'd like to get in writing; if you can give me in writing what the policy is for dealing with forest reserves.

My last question: how many mines are self-assured that are not under the mines reclamation program? We passed the legislation; I forget the title. How many mines are self-assured is what I'd like to get a list of in writing, and who are they?

**Hon Mr Wilson:** What do you mean by "self-assured"? They're fully responsible for the liability of cleanup?

**Mr Bisson:** Yes. Because some elected to be self-assured insured if they had the capital to do that and if they were able to prove it to the ministry. I'd just like to get a list of how many of them are self-assured and who they are. I think I just ran out of time.

**The Acting Chair:** I think you're correct.

**Mr Michael Gravelle (Thunder Bay-Superior North):** Minister, I have lots of questions and not a lot of time. If I may, I'll begin with the agricultural research station in Thunder Bay, which may not surprise you. As you know, I had a meeting—you weren't able to be at it, Minister, but the deputy was at it—related to that. I think it was on October 31, the day it was closing. There appears to be ultimately some kind of misunderstanding, although I guess I've argued the toss on that one. The long and short of it is that I understand the ministry is still actively involved in trying to perhaps not necessarily reopen the station but work with the stakeholders, and that certainly pleases me.

1730

I am wondering if I can get an update. I understand there's a ministry staffer who is working actively. There was a stakeholders' meeting as recently as this past Friday. I wonder if you could give me an update. Perhaps Deputy Minister Clark might want to do that. I would like to know where it's at, where we're at and what we can hopefully expect in the future, because certainly this is an issue that still matters a great deal to a lot of people in northwestern Ontario.

**Hon Mr Wilson:** That's a very fair question and I know the deputy has been working pretty hard at it. It's one of his priorities to try and do something there within our jurisdiction, given that we're not the University of Guelph itself which actually is instigating this closure.

**Mr Clark:** Our role, as I think you know, has been largely a facilitation role. I think just prior to meeting with you, I did meet with a range of representatives from the agricultural community in Thunder Bay to discuss the issue. Subsequently, we were able to set up another meeting where we brought all the parties together from the agricultural community, as well as the University of Guelph, OMAF, the university and the community college. The purpose of that meeting was to see whether or not the parties could reach some consensus or agreement on how to proceed, recognizing that the research facility is closed. They have met since then and my understanding is that they are moving fairly rapidly toward some kind of consensus on how to proceed.

What has been discussed is the idea, first of all, of developing a roster of research initiatives that are of interest to the agricultural community in the Thunder Bay area and, secondly, to look at a variety of funding mechanisms to support that research. This could include the northern Ontario heritage fund in particular. We have, as you know, spent a great deal of money supporting research in the agricultural community over the last number of years. I think they are also looking at FedNor and a number of other funding vehicles.

The sense I'm getting from the discussions is that they are making progress and I'm quite optimistic that they're going to find a solution that allows the research side of this thing to continue.

**Mr Gravelle:** Can I make the jump, then, that in terms of the potential availability of northern Ontario heritage fund money, that would be money that would probably

go to the University of Guelph, which they would agree to be used at the research station, or would it go into funding for some research being done separate from the University of Guelph? Without being too rude, it appears that the University of Guelph has been the barrier to this. I understand they were offered money to keep the station open and weren't interested in doing that.

**Mr Clark:** I think the purpose of the discussions right now is to think about what the best structure is for supporting this and whether money is funnelled through the University of Guelph or whether it comes directly to an organization that represents a cross-section of these users. I think that's what they're trying to work out right now.

**Mr Gravelle:** Any expectation of timing? People are still contacting me about this issue?

**Mr Clark:** The kind of feedback I'm getting suggests that they're hoping to have a proposal together within the next couple of weeks, probably.

**Mr Gravelle:** I don't want to get in trouble again but what could we say publicly? Obviously what we're doing today is a public record. There obviously was a misunderstanding based on our meeting, and I apologize if I was part of that, but can we publicly say that the ministry is very much involved in this process, the goal still being, Minister, to find a way to take advantage of some of the research opportunities?

**Hon Mr Wilson:** Well, I have to be honest about this thing. I appreciate the spin on this but I've told you privately and publicly a hundred times that while you've dragged the Ontario government into this thing very successfully, we're not closing the station. We're just trying to make sure that the research the Ontario taxpayers have helped pay for to benefit northerners carries on. We would love it to carry on in the station. We did not cut one penny from the University of Guelph's research budget.

John O'Toole just left and says they closed the agricultural research centre in his riding. They've closed a number around the province. It's part of a restructuring of research at the University of Guelph.

Every time you speak in the north, you speak, and maybe not intentionally, as if the Ontario government is closing a research centre, and it's unfair. I'm not on the board of governors at the University of Guelph. I have done my best to convince them, as the former energy, science and technology minister who pumped millions of dollars—some \$60 million—into the University of Guelph during my time in that portfolio. I know the research chiefs there; we've used all the goodwill we had, but it's not our decision. At the end of the day we're offering the money, the heritage fund, to whoever wants to complete the research that needs to be done.

**Mr Gravelle:** I don't want to get into an argument with you about it, but I think they might say the research was capped to the university and they're responding to that, saying, "The Ontario government, through OMAF, is responsible." They might say that.



But rather than carry on in that regard, I'd like to move into the area of—

**Hon Mr Wilson:** Everything is capped in life. That's how you balance budgets.

**Mr Gravelle:** Yes, I know. I appreciate that, Minister. It's just that everyone has a different perspective.

Highways: certainly I acknowledge that the province has spent good amounts of funding on highways in the north, and I appreciate that. Obviously, as a member from northwestern Ontario, I'm concerned about getting our fair share of funding. As much as I appreciate the priority—and indeed I think it is—of four-laning Highway 69, there are many other projects in the northwest that interest me as well. I know that Mr Bisson made a great case for it, and we all could. I'm sure my colleagues across the way could as well, and indeed the Chair could.

What I want to know is what role you play directly in the decisions that are made in terms of funding. I know you were up in Hudson this summer to make announcements about funding in the northwest, and I think you went to Timmins to make the announcement in the northeast. What role are you playing directly in terms of decisions about the funding? Certainly I would question some of those priorities.

**Hon Mr Wilson:** Prior to my arrival at the ministry, they sat down in terms of the northern highways budget. Officials sit down and try to take everything into account in terms of what priority areas need to be done. That was presented to me this year for the \$255 million. I didn't interfere in any way whatsoever. I took the word of the police, of the officials at Transportation, of our own safety people that they knew best what portions needed to be done on a priority basis. I did encourage them, along with the Minister of Transportation, Norm Sterling, particularly on 69 and 17, where we announced extra money in the last few weeks for safety enhancements until such time as we get Highway 69 four-laned and further improvements to 17, hopefully in co-operation with the federal government.

In terms of setting a highway budget, it's generally done by officials and I leave it to the experts. The heritage fund, where we've done usually local roads—35 outside of Sudbury; I can't think of a Thunder Bay one off the top of my head, but I'll think of one, I'm sure—is municipally driven. Somebody has applied for that, and it's up to the board, which is made up of northerners, as you know, to decide on their priorities.

**The Acting Chair:** Six minutes.

**Mr Gravelle:** As you know, Minister, there is a real campaign as well to four-lane Highway 11/17 between Thunder Bay and Nipigon. There are some concerns we have about some of our roads—584 between Geraldton and Nakina needs upgrading. I think you would always expect us to fight for those things, and I just hope you will consider them priorities as well, because we're going to keep doing that.

I do want to move on to the heritage fund—we're so limited in time. Some people have said that basically you're holding back a lot of money in the heritage fund. Estimates say you've spent \$60 million, \$60 million, \$60

million, and when you look at it a little more carefully—I think if you look back; I'm not sure whether it's page 16 or 43—you've got different numbers in terms of the amount of heritage fund money you've spent in the last three or four years. It appears in estimates that there's a commitment of \$90 million for the heritage fund. But tell me, how much money is in the bank, not spent but waiting to be spent? Can you tell us that today and, if not, can you perhaps table some of those details?

**Hon Mr Wilson:** There is about \$300 million in the bank, as has been reported. Again, this is an improvement. A lot of that is committed. Hopefully this year we will put out just over \$100 million, which will be a record year for any government in terms of spending under the heritage fund. We can't put out more than we receive in invoices, and that's the problem. Yes, the committee meets frequently. It's dealing with the applications before it. We've promised a faster turnaround, and we've been doing that. I'm impressed, actually, with what the ministry has been able to do in a few months in terms of turning this around. A new customer service orientation there has been generally well received. The only ones who seem to be complaining are a few politicians in the north, and they tend to be provincial politicians. The mayors seem to very much appreciate the service they're getting and the responses they're getting, for the most part.

1740

So there is money there, and the trick is to get it out the door, but not any faster than the invoices come in. That's what the federal government got caught for. They have all kinds of groups that don't even exist, apparently, that the auditor—we just went through three months of the newspapers, even the Toronto Star, full of all these scandals at HRDC and other federal departments with groups that don't even exist.

The final thing I'll say is that where I think the rubber hits the road with respect to performance of the heritage fund is that I understand the Provincial Auditor has used it for the last three years as an example of the way funds should be run. I think that's the highest compliment to be given to any government.

**Mr Gravelle:** Minister, I'm not going after you about this; I'm curious. It would be nice to have the details tabled in terms of the amount of money going in and out.

Could I ask you very quickly—I'm not one of those who complains; when funding comes into my riding or to the north through the heritage fund, I'm very pleased to see it and I say so, generally publicly, and that includes getting funding for hospital equipment or MRIs. But do you, as minister, ever think, "Gee, this should be going through the Ministry of Health"? These are health care dollars.

**Hon Mr Wilson:** Yes.

**Mr Gravelle:** To some degree it gets you away from the goals and guidelines of the heritage fund as they certainly were originally put in place and even as you redesigned it. Do you ever make that case?

**Hon Mr Wilson:** Yes. In fact, my very first comments to the heritage fund board as chair were exactly that, and



that I, as fourth in charge in the province and senior minister, could probably help. My experience as Minister of Health, Minister of Energy and Minister of Science and Technology for the last seven years helped drive some of these applications back to the mainline ministries and not just tap the heritage fund because it happens to be either the easiest program to apply to or perhaps the only one a municipality or a hospital can think of, and we've been successful in doing that. We've driven back some multi-million dollar projects that would have taken heritage fund money, and we've been able to keep the heritage fund money intact and actually get that money.

I think the ministries and the government have to be more in tune with what the people of the north need. We have tremendous challenges up there but a tremendous future up there. The focus my deputy and I are trying to put on the ministry is that we will advocate for any issue for any northerner with any ministry in the government of Ontario, and that includes getting funding out of the mainline budgets rather than just out of the special northern allocations.

**Mr Gravelle:** That's certainly how I felt.

**The Acting Chair:** One minute.

**Mr Gravelle:** The Northern Tourism Marketing Corp dissolved, closed down. You've got no money allocated for it, I guess, in the next fiscal year. Mr Miller went on a bit of a fact-finding mission or consultation process this summer. We're very concerned about tourism marketing in the north, and quite frankly we think we've lost a lot. We've lost seasons in terms of that. Please tell us where it's at. I would sure like to know exactly what's going to be happening in terms of the northern component. Is it just going to be brought into the Ontario-wide thing? I know there's a temporary thing. I'm very curious about this and very concerned about it as well.

**Hon Mr Wilson:** After the problems in the past with tourism marketing—actually my parliamentary assistant, Norm Miller, would be the one to really answer this, if he gets a minute to comment. We have been keeping it alive in terms of keeping the core organization there through the heritage fund. So it's not like we haven't been spending any money. We spent a couple of million dollars keeping it alive. Mr Miller's report is moving its way up to senior levels of government, and we hope to have some news to report soon.

**Mr Gravelle:** What's the timing on that?

**Hon Mr Wilson:** Well, as you know, I can't pre-empt my colleagues in cabinet as to when and how they might deal with it, but it's moving in that direction.

**Mr Gravelle:** How about unanimous consent to have five more minutes?

*Interjections.*

**The Acting Chair:** No. The government side.

**Mr McDonald:** First off, I'd like to thank you, Minister Wilson, for being here today. Being the representative from Nipissing and being from northern Ontario and really supporting northern Ontario, I must say that in the six to seven months I've been here as the repre-

sentative for Nipissing, I'd like to take on the role of supporting northern Ontario. I must say you've been a great friend of the north and I want to thank you for your dedication and support of the north. I know you've basically moved up there in the past nine or 10 months that I've known you and you've done a great job. I've heard that from a lot of people in northern Ontario. So thank you for being here today.

I wanted to ask you how you are working with the Smart Growth panels in the northwest and northeast. Maybe you could just concentrate on the northeast a bit. Obviously, we're really concerned about our youth migrating to the south, and the declining population. What I want to know is how we're generating new economic opportunities that build on existing advantages in this area. We're looking at the population shifts—and I know this is something that concerns you, Minister Wilson. Could you outline for us today how your ministry has been involved in the effort of these Smart Growth panels?

**Hon Mr Wilson:** It's a little premature, although we have certainly had discussions with members of the Smart Growth panel. I didn't really tell them anything they didn't already know. As I mentioned a little bit in my comments at the beginning, youth out-migration is a challenge. I know it's one that both panels in the north are taking seriously. I would not really be at liberty, not being a member of the panels, to tell you much about what their recommendations might be in that area, but recently money was set aside in government that hasn't been announced to help support some of the recommendations that may come out of Smart Growth. Obviously, they'll range from things like planning through to new infrastructure needs.

Maybe we'll get another great idea like a northern medical school. As I said, when I was minister for two and a half years, I actually never heard the idea. So great work, northern MPPs. They were all in opposition at the time. No one mentioned it to me in two and a half years.

Smart Growth is a way for northerners to have a say in legislation and policy-making in the province based on the three principles of Smart Growth: promoting a clean and healthy environment, creating strong economies and building strong communities. I think people are going to be pleasantly surprised at some of the recommendations. I think they are going to be, in many ways, very forward-thinking, very cutting edge. I think because the government set them up, the government has a commitment. We might see a little more movement in terms of putting infrastructure in places where it's needed, where it will give us the best bang for our buck, for keeping young people in particular interested in staying where they were raised and contributing back to their communities.

I know that's not a particularly useful answer, but soon there will be more meat to put on the bones.

**The Acting Chair:** Thank you, Minister. We have been called to vote. We have a choice: we can either carry the votes or they will be deemed to be carried.

**Mr Chudleigh:** Do you care?

**The Acting Chair:** It's not up to me.

**Mr Gravelle:** Do we have to vote now?

**The Acting Chair:** They are deemed to be carried if we don't, but we are not at the end of the seven and a half hours. I would tell you that.

**Mr Gravelle:** OK. I'm not an experienced estimates guy so I'm not sure what is appropriate here.

**The Acting Chair:** I can put the question. It's up to the committee; it's not up to me. Agreed? Agreed.

Shall vote 2201 carry? Carried.

Shall vote 2202 carry? Carried.

Shall vote 2203 carry? Carried.

Shall the estimates of the Ministry of Northern Development and Mines carry? Carried.

Shall I report the estimates of the Ministry of Northern Development and Mines to the House? Carried.

We're adjourned.

*The committee adjourned at 1750.*







## CONTENTS

Wednesday 20 November 2002

<b>Ministry of Northern Development and Mines .....</b>	<b>E-333</b>
---	--------------

Mr Jim Wilson, Minister of Northern Development and Mines

Mr Cameron Clark, Deputy Minister

### STANDING COMMITTEE ON ESTIMATES

#### **Chair / Président**

Mr Gerard Kennedy (Parkdale-High Park L)

#### **Vice-Chair / Vice-Président**

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gilles Bisson (Timmins-James Bay / Timmins-Baie James ND)

Mr Ted Chudleigh (Halton PC)

Mr Alvin Curling (Scarborough-Rouge River L)

Mr Gerard Kennedy (Parkdale-High Park L)

Mr Frank Mazzilli (London-Fanshawe PC)

Mr Norm Miller (Parry Sound-Muskoka PC)

Mr John O'Toole (Durham PC)

Mr Steve Peters (Elgin-Middlesex-London L)

#### **Substitutions / Membres remplaçants**

Mr Michael A. Brown (Algoma-Manitoulin L)

Mr Michael Gravelle (Thunder Bay-Superior North / -Nord L)

Mr AL McDonald (Nipissing PC)

#### **Also taking part / Autres participants et participantes**

Mr Rick Bartolucci (Sudbury L)

#### **Clerk / Greffier**

Mr Trevor Day

#### **Staff / Personnel**

Ms Anne Marzalik, research officer,

Research and Information Services











